Fig. PA1: MAGNET-Automated Contracting System

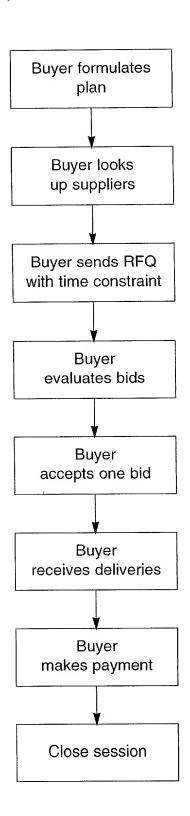


Fig. PA2: Fishmarket

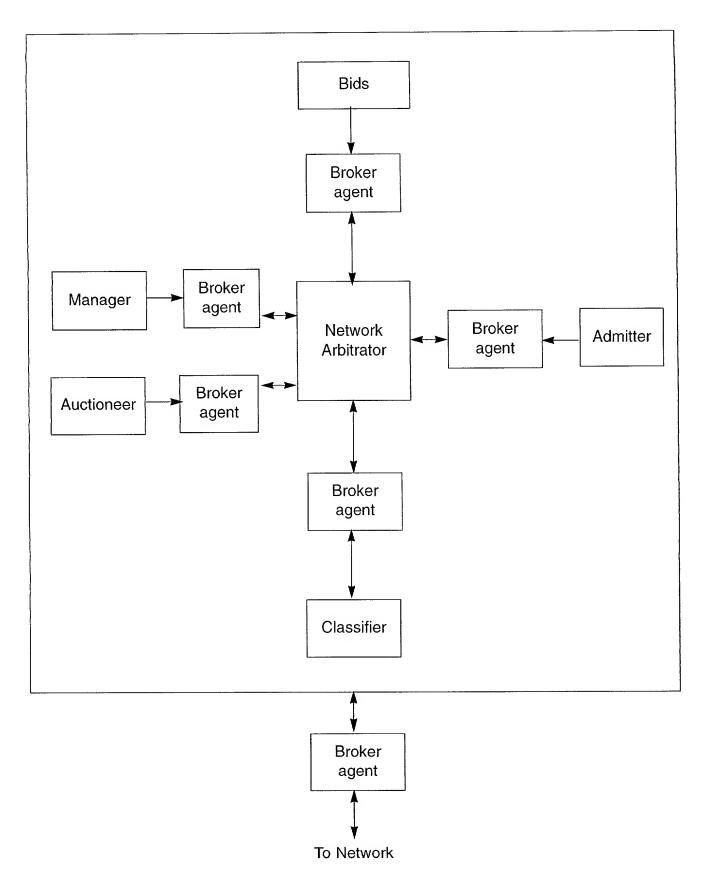


Fig. PA3: Kasbah Marketplace

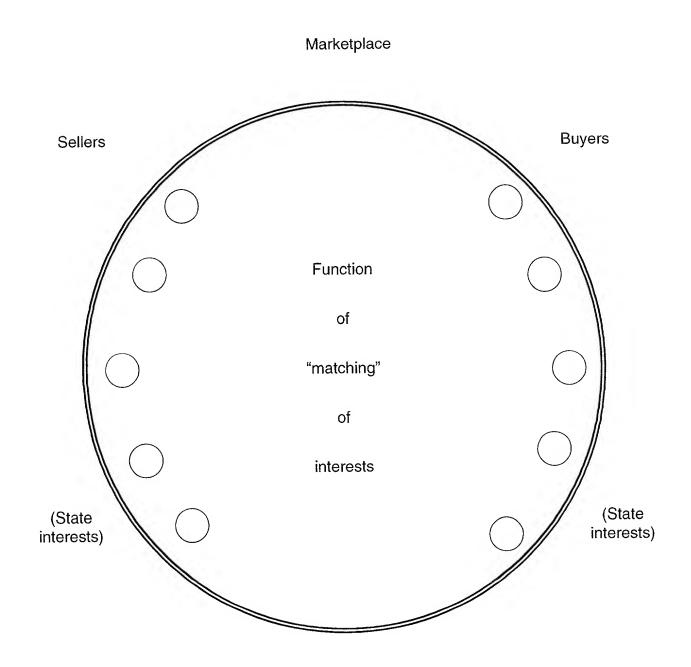


Fig. PA4A: Tete-a-tete (I): Integrative Negotiation

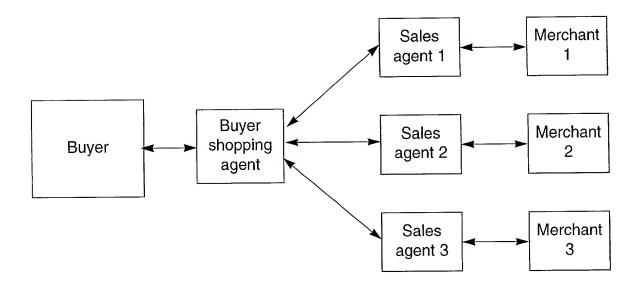


Fig. PA4B: Tete-a-tete (II): Bilateral Negotiation

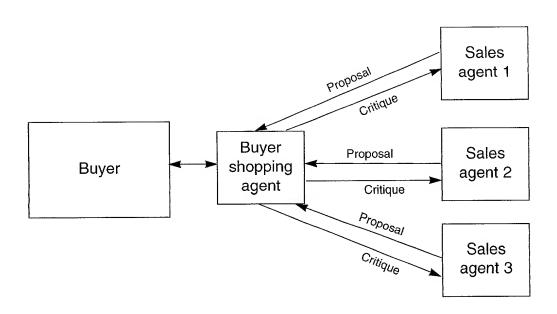


Fig. PA5: Contract Net-4 Stages of the Contract Net

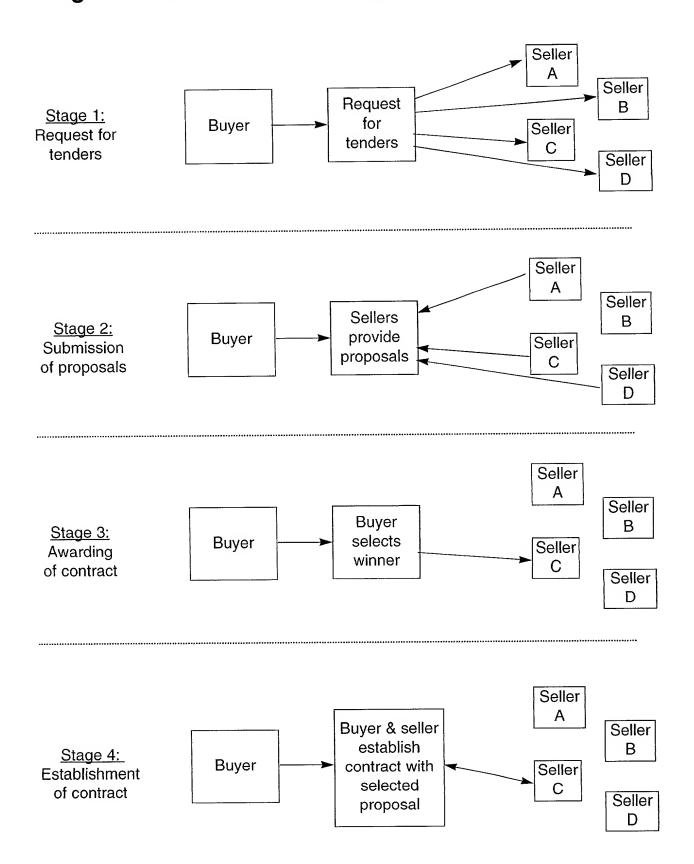


Fig. PA6: Flow Chart Of Contract Net Protocol

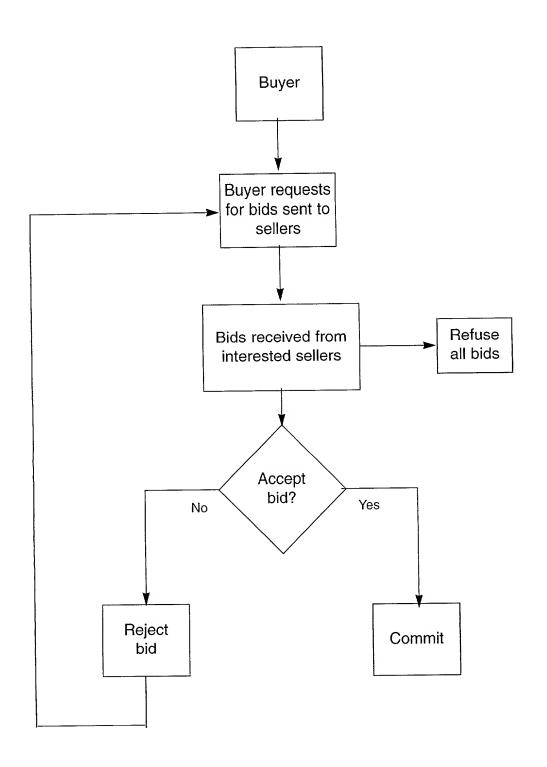


Fig. PA7A: EDI As A Paper Replacement Technique

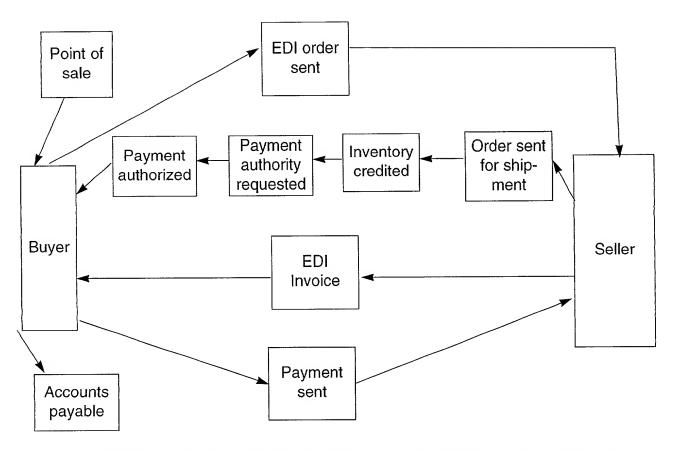


Fig. PA7B: EDI As A Process Elimination Technique

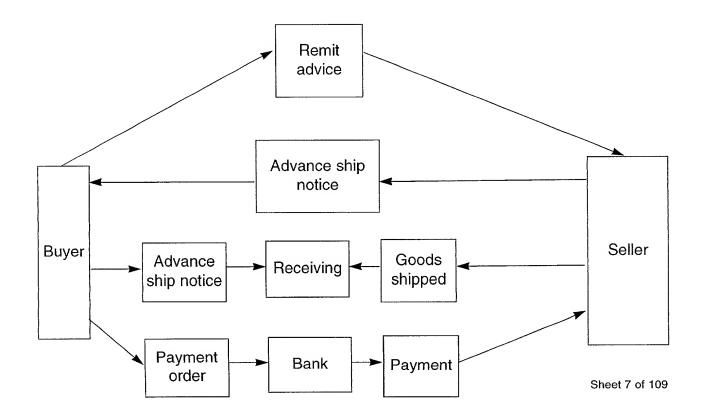


Fig. PA8: ECN (Electronic Communications Network)

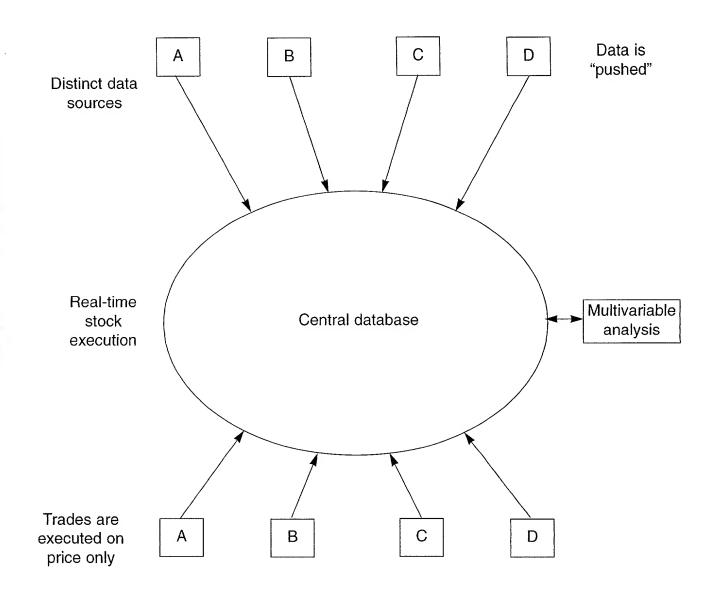
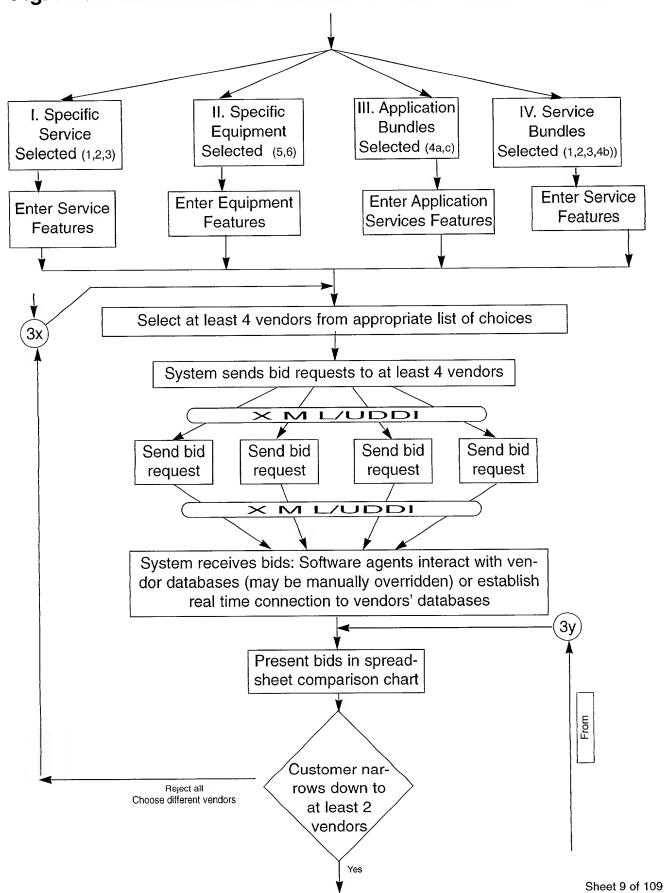


Fig. PA9A: Intermediated Demand-Initiated Procurement System



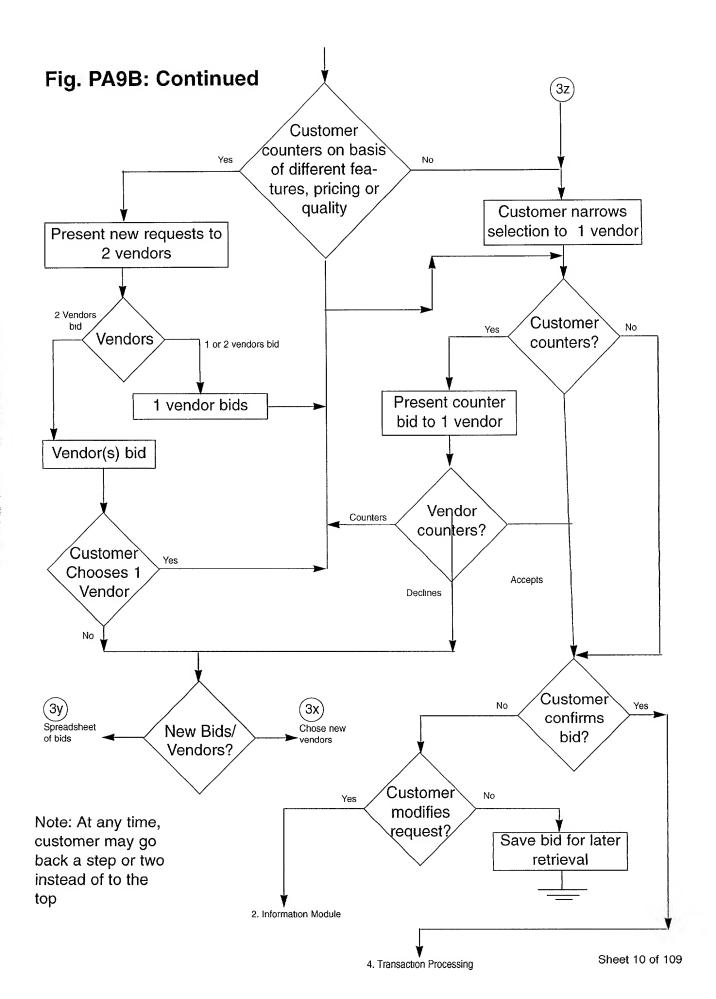
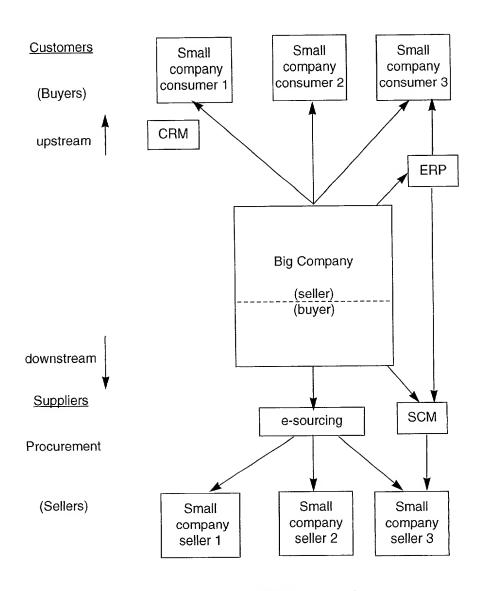


Fig. PA10: Traditional Supply Chain & Customer Relationships

(Small Company Consumers)



(Small Companies)

Fig. PA11: Traditional Search Technology

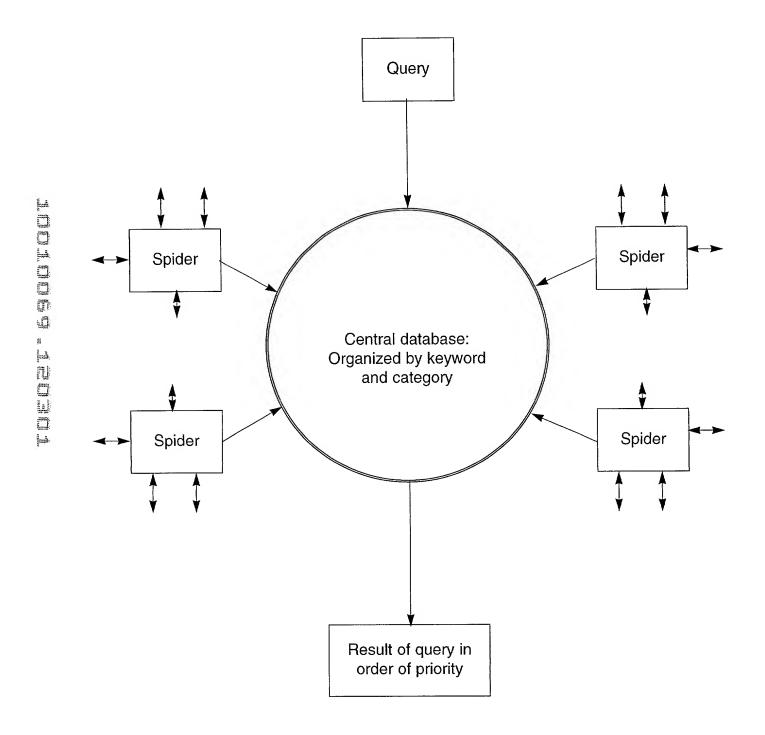


Fig. PA12: Distributed Search Approach

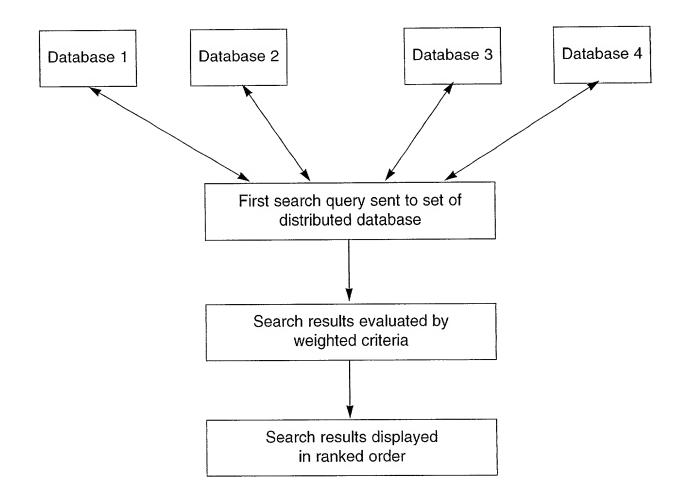


Fig. PA13: Traditional Aggregation

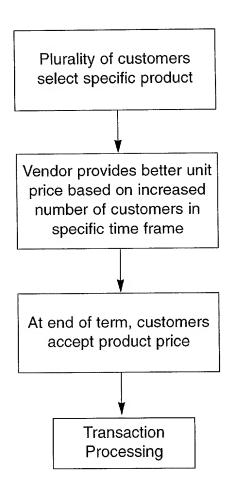
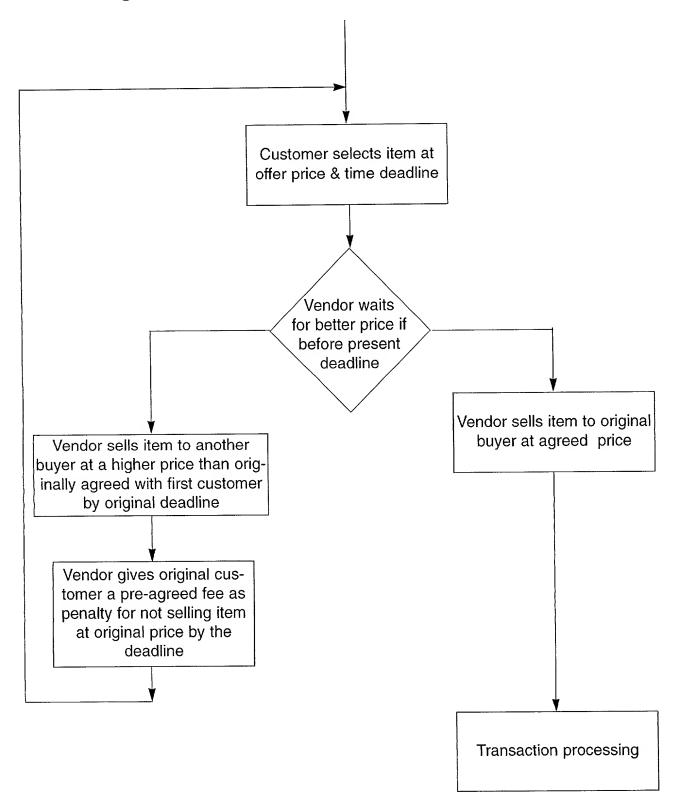


Fig. PA14: Intermediated Option Contracts



1075

Fig. 1: CCN Architecture Market Data Inputs Corporate Data Inputs 1010 1005 1013 Main Corporate Buyer-AA Seller-AA Databases 1025 DB2 DB1 Firewall Set **Parameters** 1020 1030 1015 Promotion & RMO 1035 Customer modules **GUI** S-IAs Collabo-1040 ation Buyer Inter-1050 agent 1055 1060 1045 Pre-S-IAs negotia-Data as objects/codes tion Commercial Search Seller Site Showcases Agent (CSA) SC2 SC1 1065 1070 Price, negotia-Price, negotiation & tion & auction auction modules modules 1080 1090 1085 B-AA B-INA 2 S-INA 1 S-INA 2 B-INA 1 1095 1100

S-ITA

End

Transaction

1105

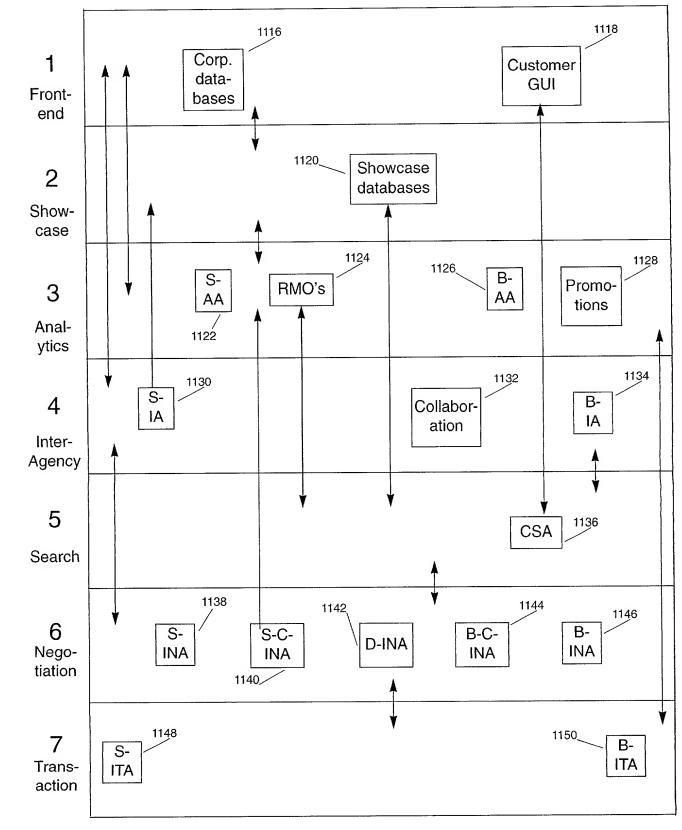
B-ITA

1115

1110

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Fig. 2: CCN System Layers

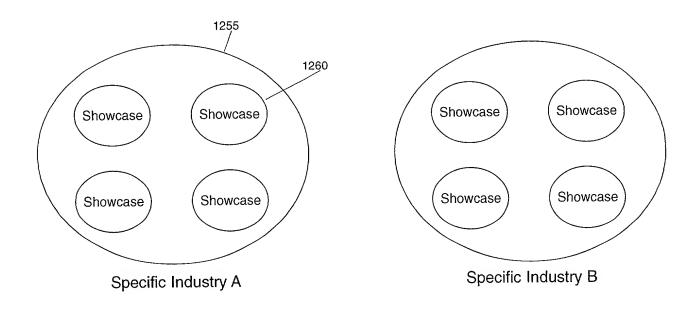


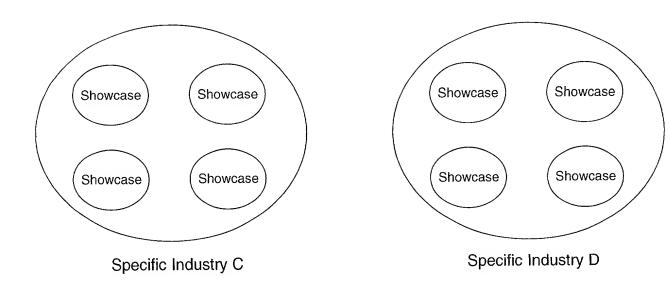
1160 1155 Corporate Data Main Corporate S-IA Showcase Database S-IA 1165 Promotion & Market Data **RMO** modules Inputs 1175 1170 Corporate Data S-IA Main Corporate Showcase Database S-IA S-IA 118<u>5</u> Price 1180 Seller Module AA1195 1190 Corporate Data Main Corporate S-IA Showcase Database Promotion & 1200 RMO modules 1210 1205 Corporate Data S-IA Main Corporate Showcase Database S-IA

S-IA

Fig. 3: Showcase Database System

Fig. 4: Multiple Vertical Databases





1300 Market data 1305 sources ΑI 1315 1310 module Snapshots of S-Analytical data streams agent over time 1320 1325 **GUI** Corporate database S-inter-agent Purchasing ERP and SCM managers data over fed Implementation Managers & system 1330 monitors Pricing _1345 module 1336 1332 Showcase Promotion module Accessed from **RMO** different over cleansed module locations 1334 1310 S-AA

Fig. 5: Showcase Database View

Fig. 6: Showcase Database Operation

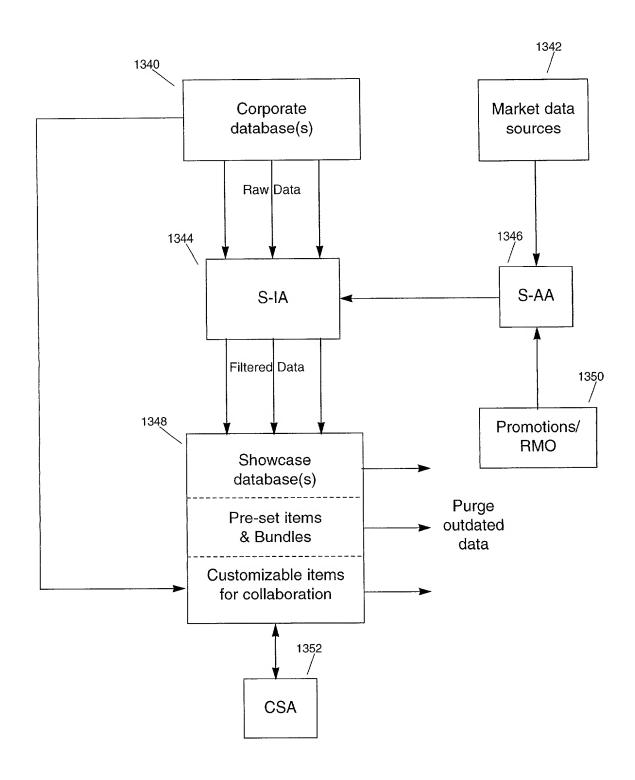


Fig. 7: Showcase Data Flow

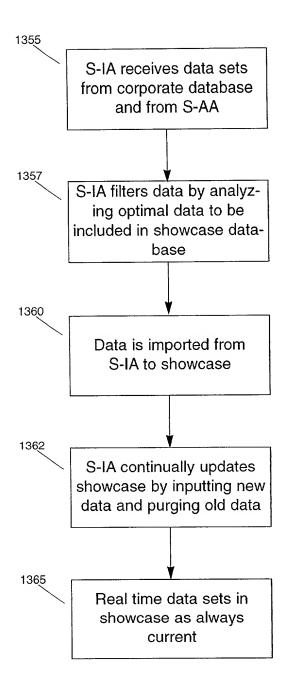


Fig. 8: Inter-agent System Architecture

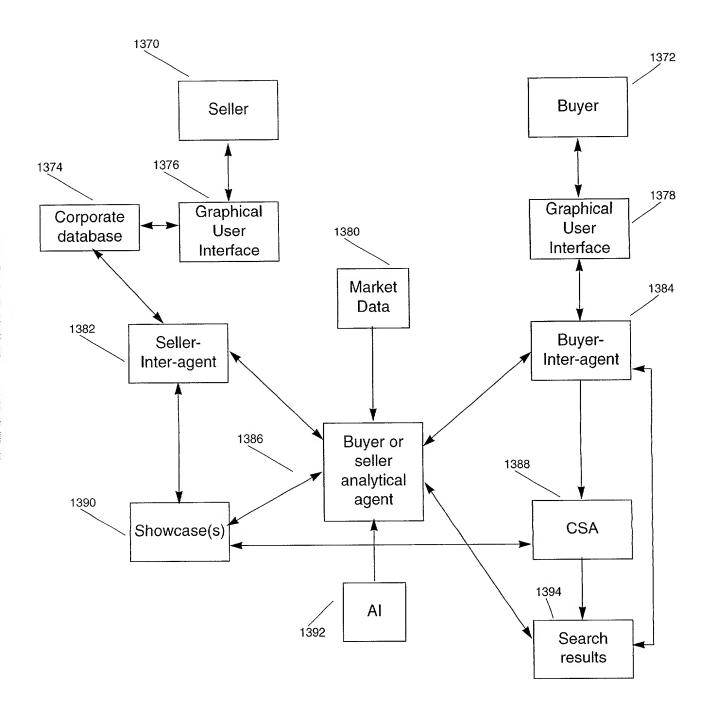
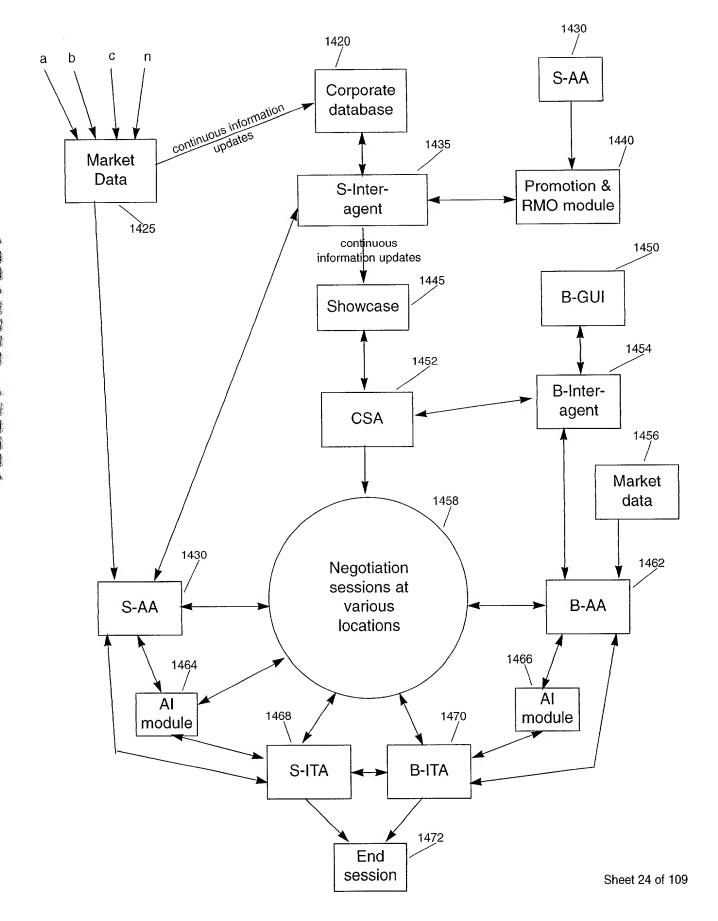


Fig. 9: Rivers of Data Flows



1500 1550 Showcase database A 1530 1505 Promotions/ RMO's Showcase database B 1535 151,0 **CSA** Showcase Continuous looped queries database C 1540 1515 B-AA Showcase database D 1545 152,0 Market data Showcase database E 1525 Showcase database F

Fig. 10: CSA System Architecture

1555 1583 1585 1552 Market Data Promo's Showcase S-2a & RMO's db1 IA (1) 1560 1620 1590 2b **B-Analytical** Showcase Promo's & RMO's Agent db2 IA 1565 3b За 1595 4a 2c Showcase Promo's 1625 Sdb3 & RMO's IA 4c **CSA** 4d 1570 1600 1630 6 Showcase Promo's S-& RMO's db4 IA B-Inter agents 5a 157,5 2e 1605 7 1635 Showcase Promo's S-Negotiation & RMO's db5 IA sessions 5b 1580 2f 1610 Showcase Promo's S-& RMO's db6 IA 5с

Fig. 11: CSA First Query Sequence

Fig. 12: Programmability of CSAs for Priorities of Search

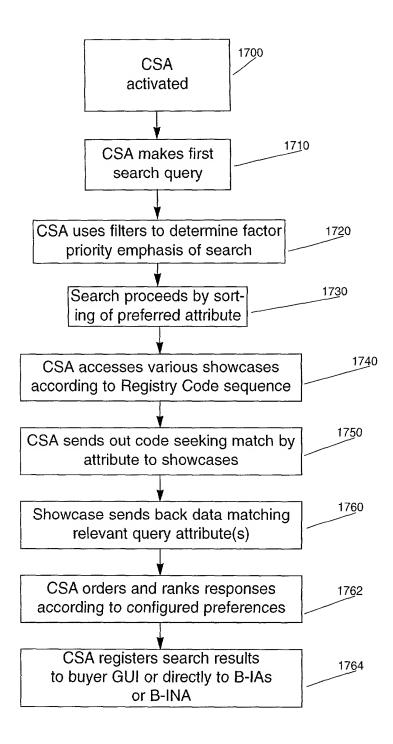


Fig. 13: CSA As Initial Search Query

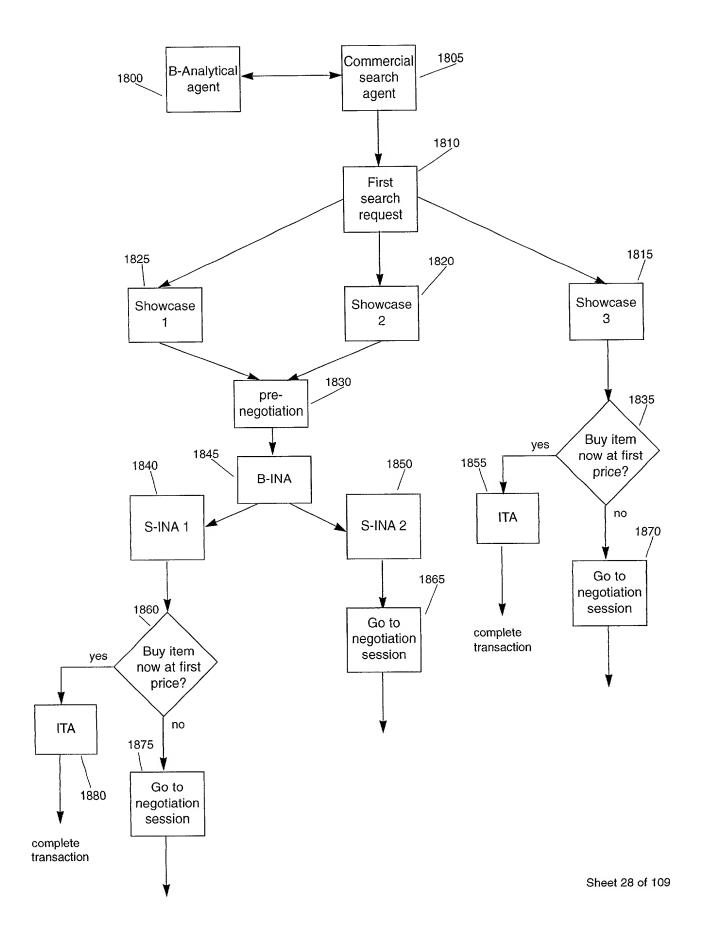


Fig. 14: CSA Filters

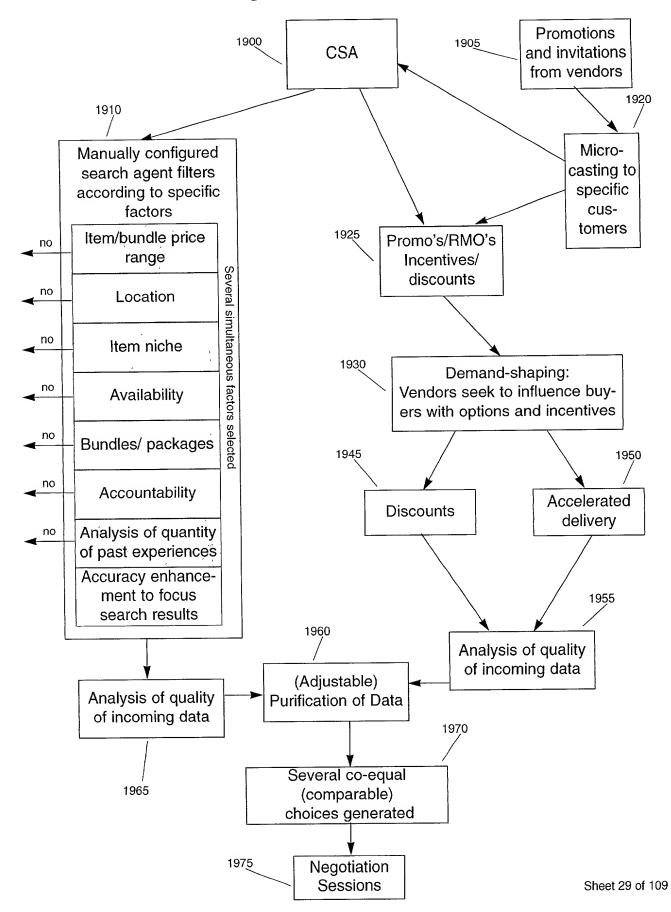


Fig. 15: Promotions

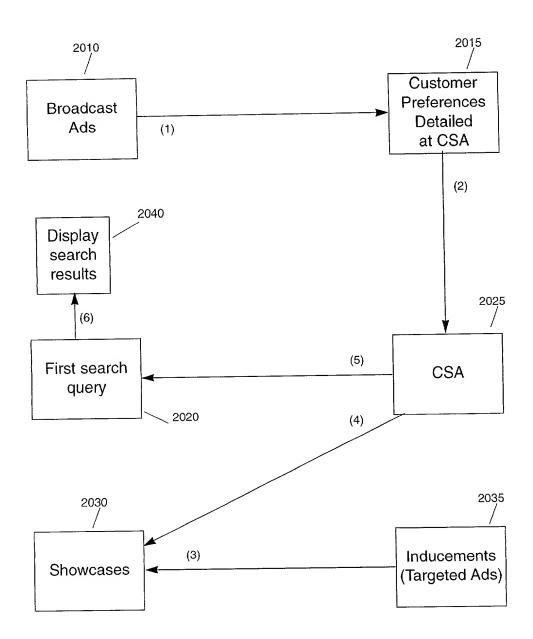


Fig. 16: Proximity Marketing For Mobile INAs

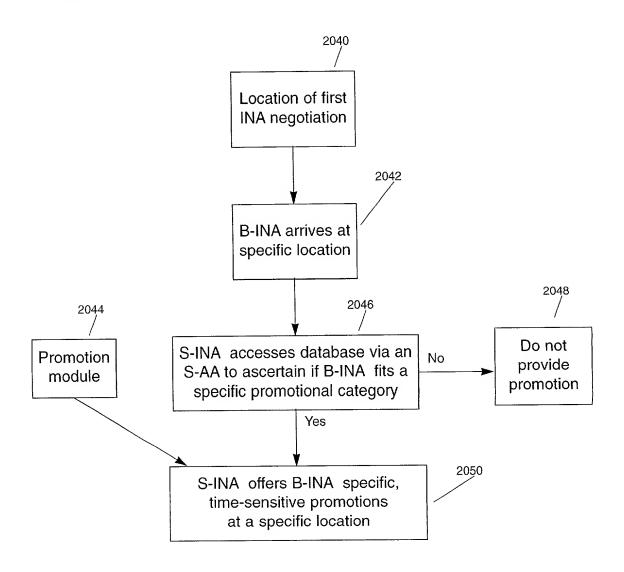


Fig. 17: Promotional Discounting

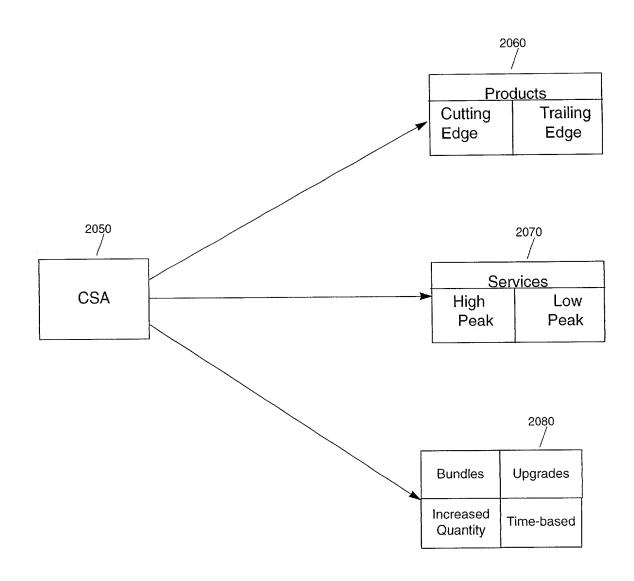


Fig. 18: Dynamic Pricing Model

Conditions:

- Product cycle rate
- Market/Economy
- Competition

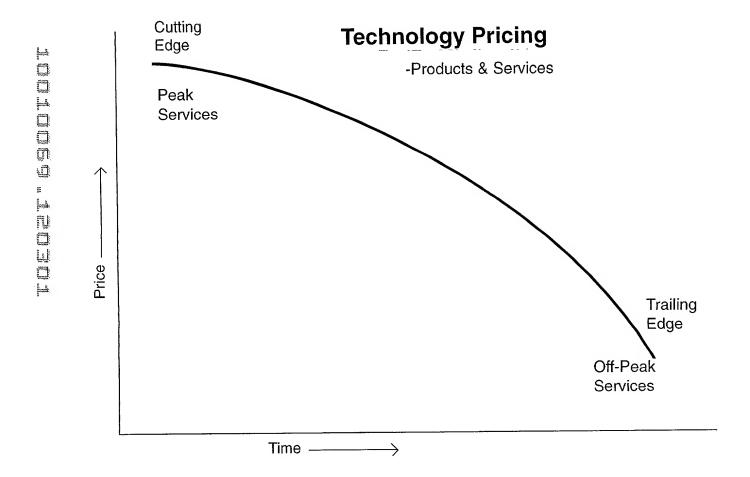


Fig. 19: Pricing Discount Promotions

Dropping Prices Tendency

- 1. Trailing edge technology
- 2. Off-peak service
- 3. Bundled packages (aggregation-discounts)
- 4. Surplus items
- 5. Decreasing quality
- 6. Quantity discount (multiple identical items)
- 8. Un-time-sensitive
- 9. Decreased features
- 10. Exploding (Time-sensitive) offers

Fig. 20: Promotions Integrated with CSA & Showcase

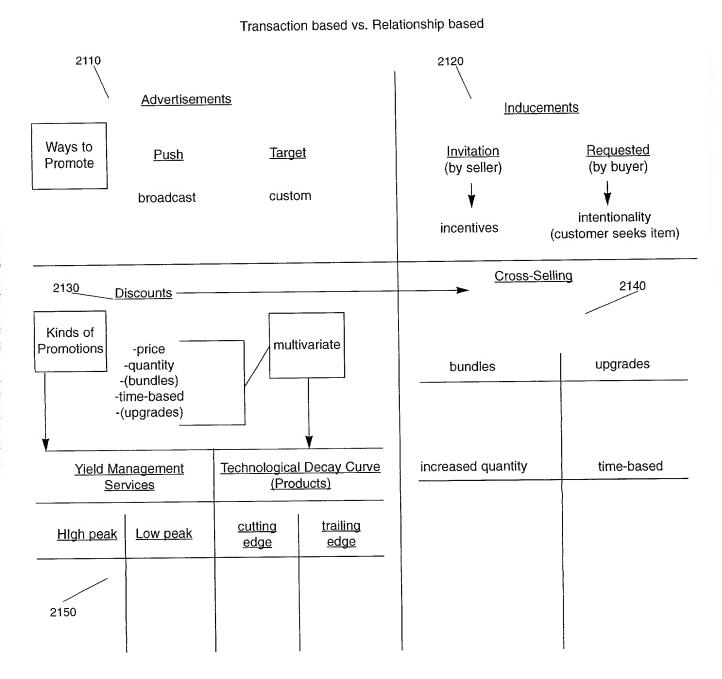


Fig. 21: RMO Contract Processes in Distributed System

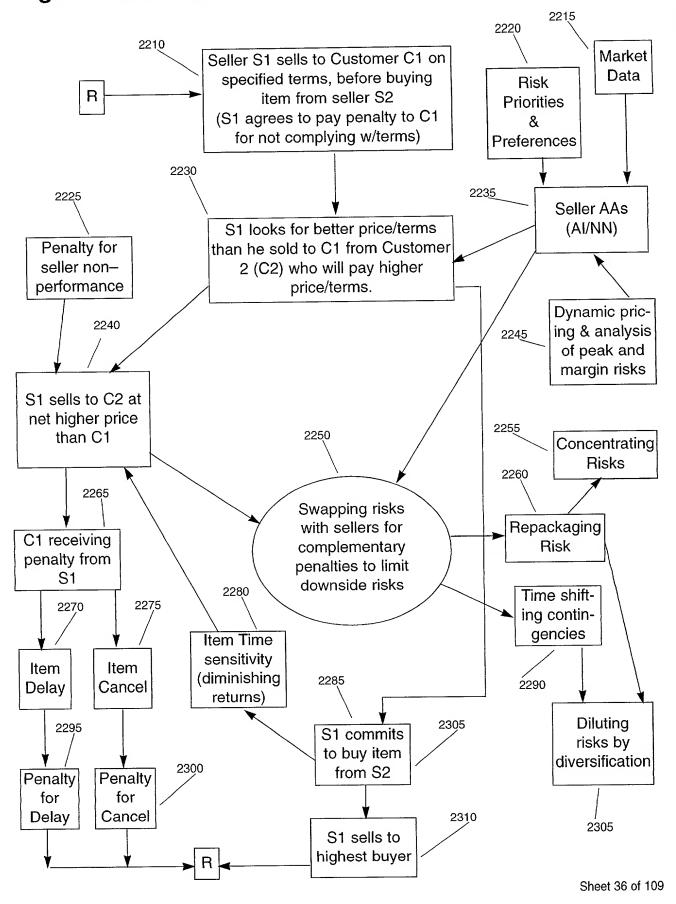
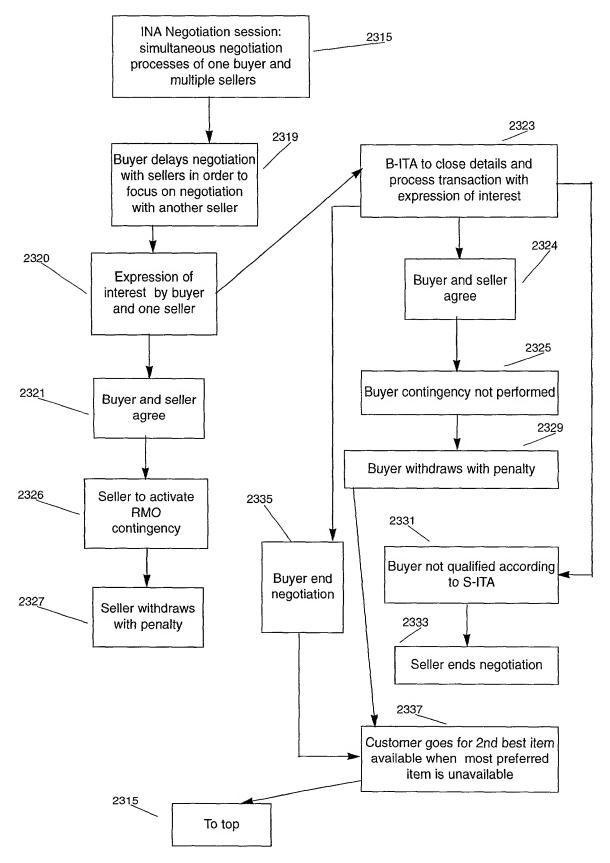


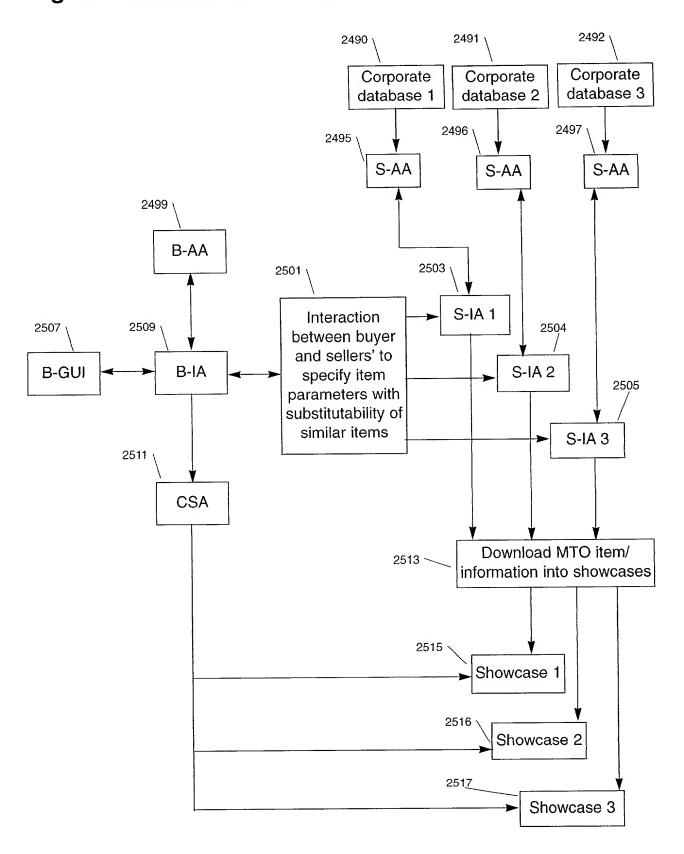
Fig. 22: Transaction Contingencies



2375 2355 2370 R 2365 R 2360 S-IA-1 S-AA Pre-search s1-collaboration B-IA B-AA b-collaboration 2380 2385 Use of prior forecasts S-IA-2 before initial S-AA 2400 s2-collaboration search 2410 2390 **CSA** Showcase 1 during 2415 **CSA** 2433 S-IA-1 S-AA s1-collaboration 2420 B-IA 2430 2435 b-collaboration S-IA-2 B-AA S-AA s2-collaboration 2445 2450 Showcase 2 2445 2455 after CSA B-IA Pre-Negotiation b-collaboration 2465 2460~ 2470 S-IA-1 S-IA-2 s1-collaboration s2-collaboration 2475 Negotiation 2480 S-AA session(s) B-AA latest update 2482 is preserved 2484 2486 Close transaction Post-sale inter-b-INA collaboration: broadcasting & microcasting good deals to friends S-AA 2355 2488 Sheet 38 of 109

Fig. 23: Information Collaboration for MTO

Fig. 24: Collaboration Process For MTO Customization



end session

Fig. 25: INA Interaction (B-INA & S-INA Interactions) Buyer Seller 2521 2518 2519 Corporate **GUI GUI** Database 2525 2523 B-Inter-agent S-Inter-agent 2545 2555 2530 2550 2535 2540 **B-Analytical** Market Show-S-Analytical Market **CSA** agent data agent cases data 2570 2575 2560 Initial Search 2565 request Seller Seller 2577 **Buyer INA** INA₂ INA₁ Search results 2580 Pre-negotiation session [Agreement on negotiation rules] 2585 First search response 2590 Negotiation sessions between B-INA & S-INA 2, and S-INA 1 & B-INA 2595 Selection of winner by buyer 2610 2605 2600 Cease negotiations and S-ITA

B-ITA

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Fig. 26: INA Interactions - Ricochet Model

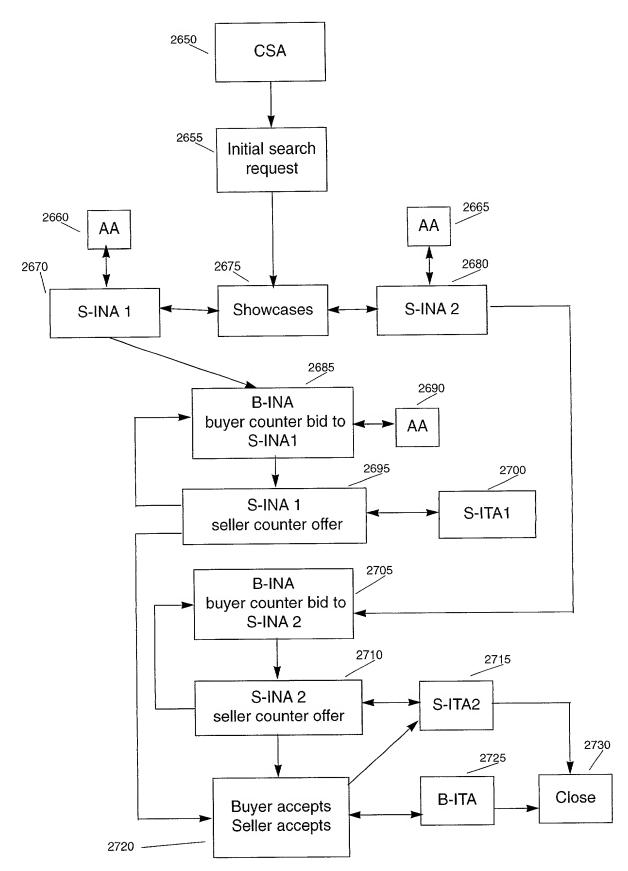


Fig. 27: Pre-Negotiation

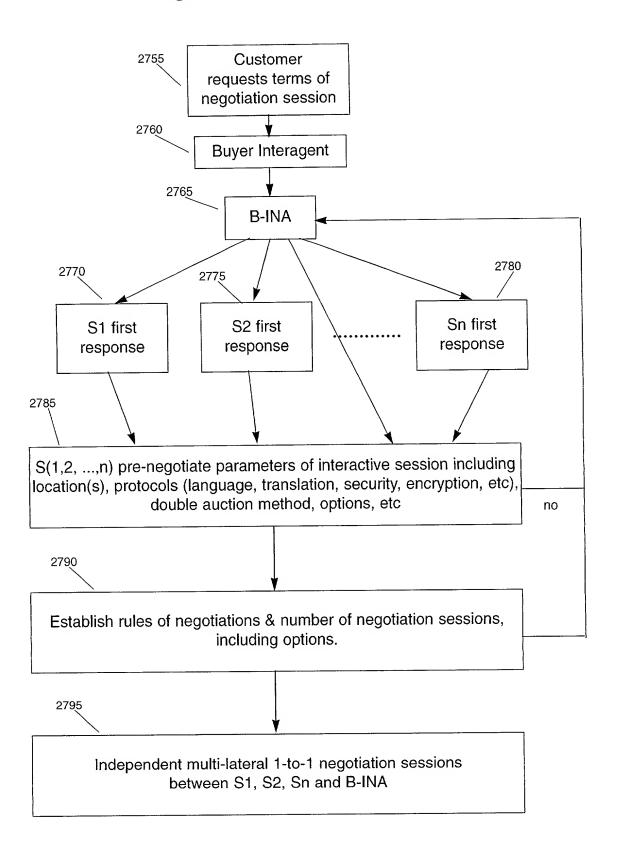


Fig. 28: Time-Based Negotiation Strategy Concealment

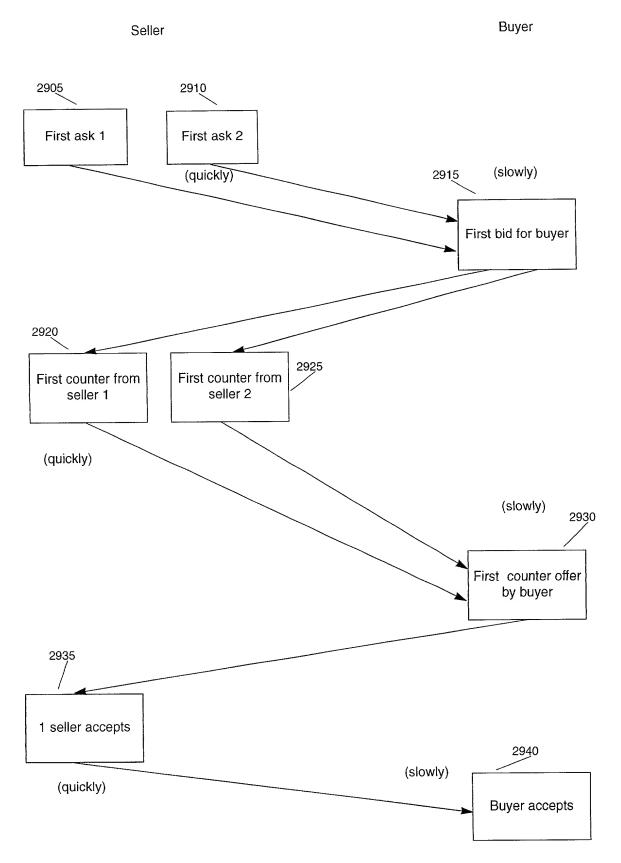


Fig. 29: INA Logistics

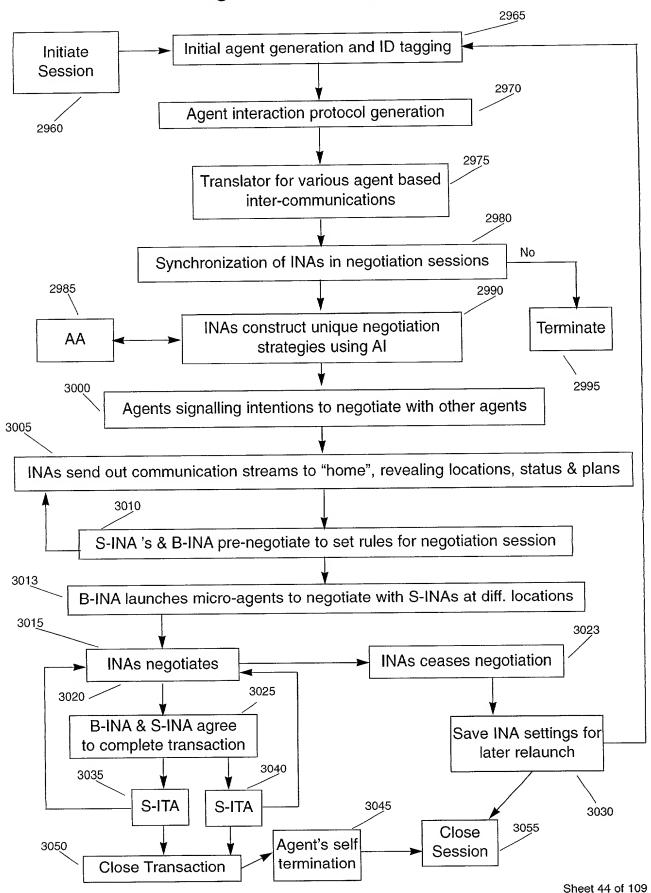


Fig. 30: INA Interaction Sequence #1

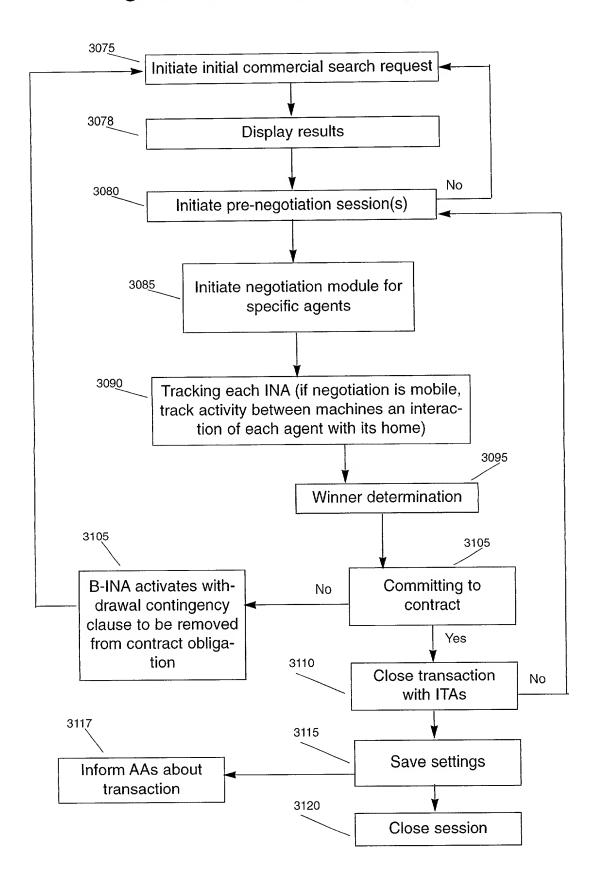


Fig. 31: INA Interaction Sequence #2

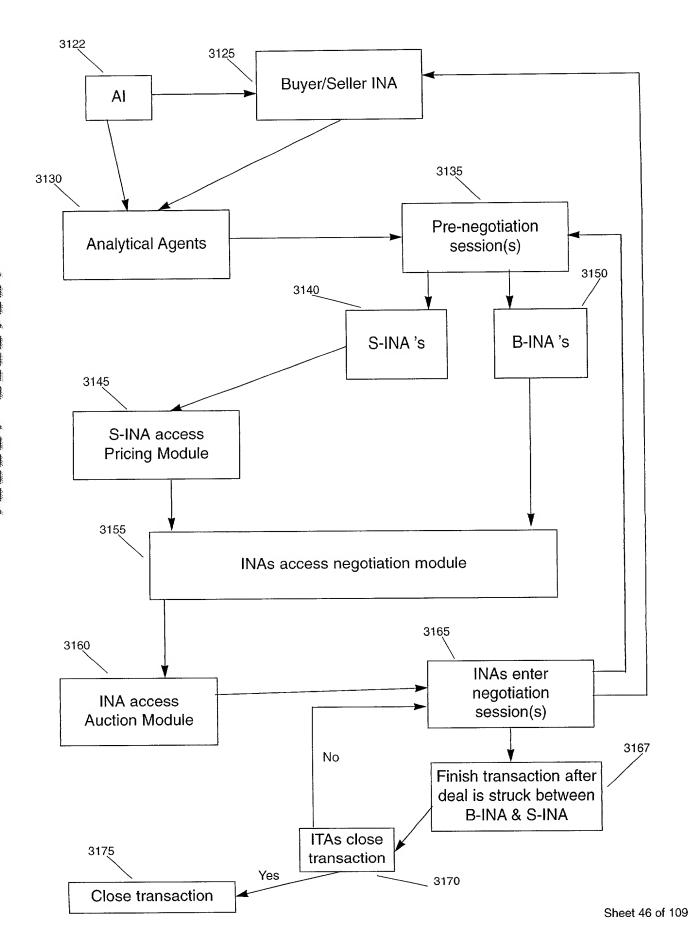
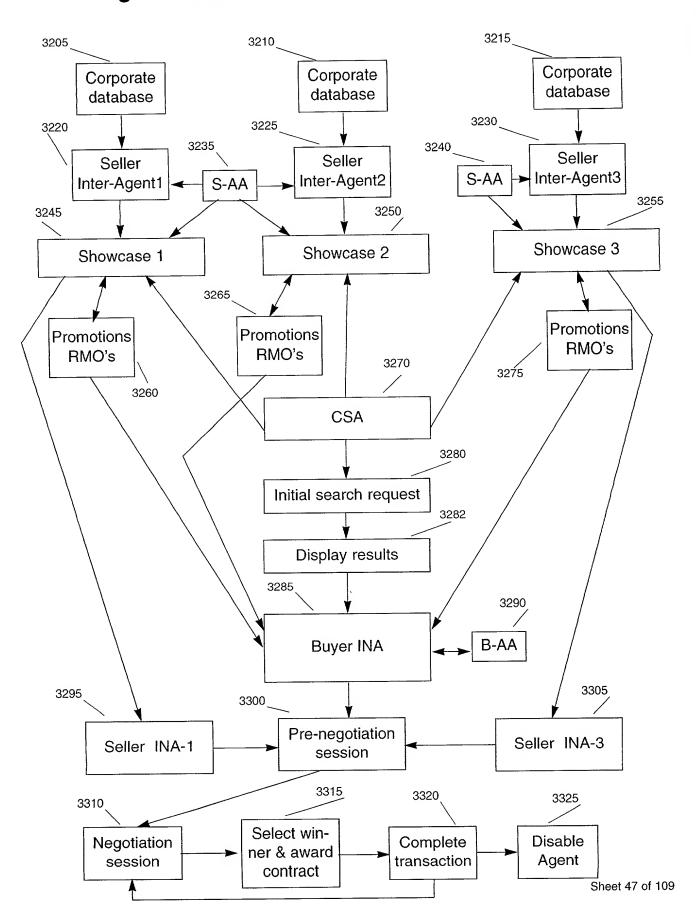


Fig. 32: INA Architecture 1 (First part interactions)



Close session

3423 B-AA 3410 S-AA S-AA Seller Buyer Seller Seller INA3 INA₂ INA INA1 3430 3415 3425 3420 3405 3435 Pre-negotiation session 3440 All INAs Negotiation session 1 with several INAs 3443 B-INA & SINA1 & B-INA & SINA3 session 2 3445 B-INA & S-INA3 Negotiation session 3 Re-negotiate Select winner & award contract 3450~ 3460 3455 S-ITA **B-ITA** 3465 Complete

Transaction

Fig. 33: INA Architecture 2 (Negotiation interactions)

Fig. 34: INANegotiation Time Based Sequences

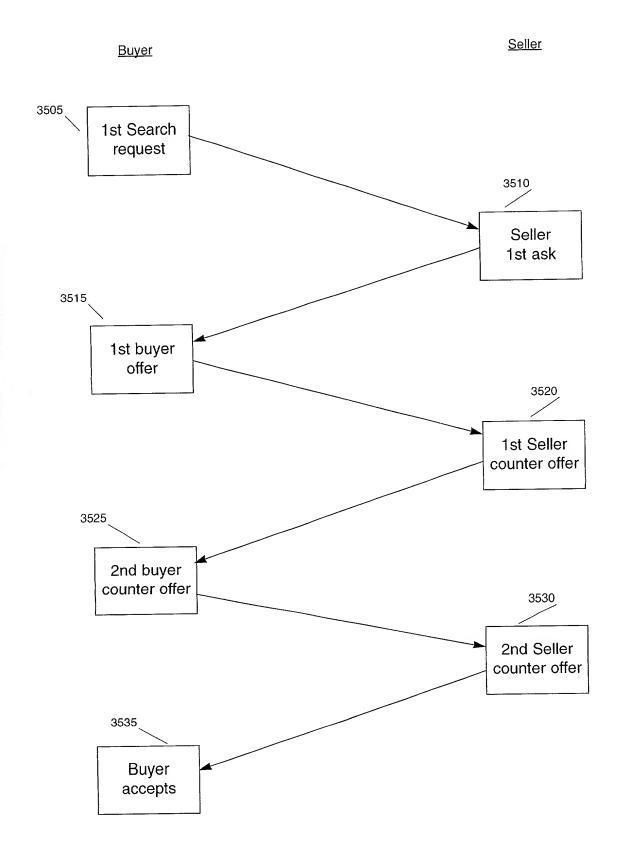


Fig. 35: Initial INA Mobile Location Protocol Settlement

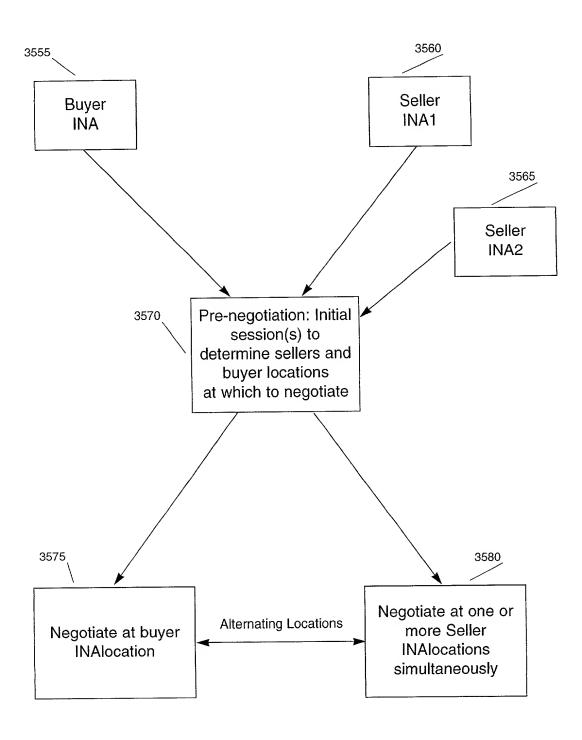


Fig. 36: Tournament Configuration of **INA Winner Determination**

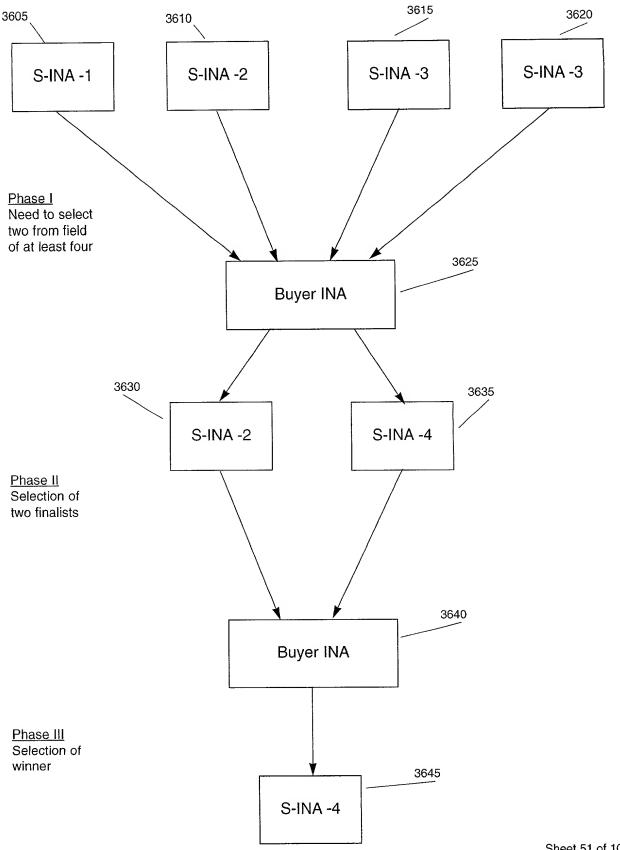


Fig. 37: Multivariate Negotiation

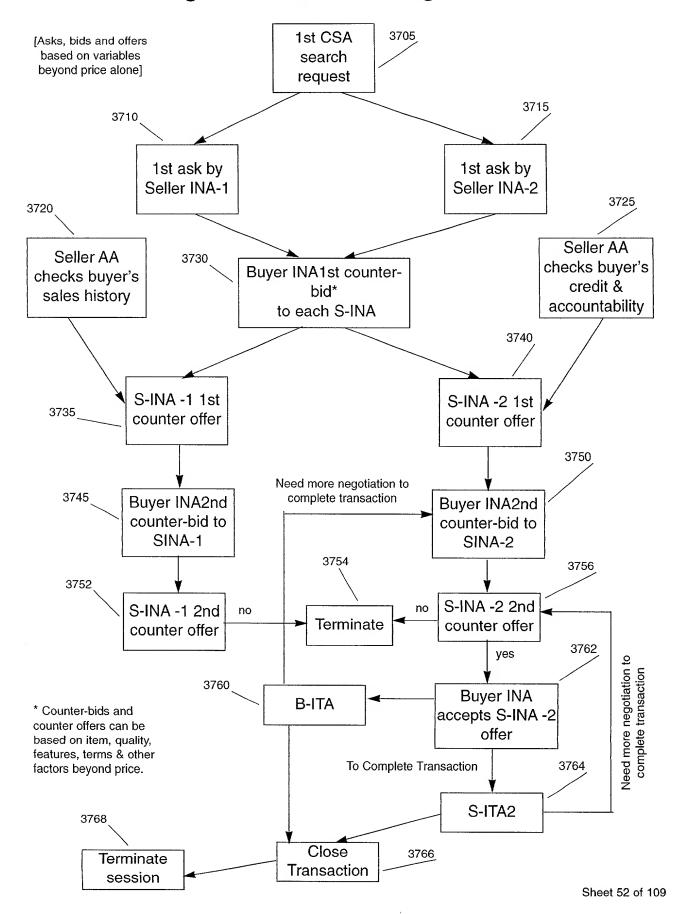


Fig. 38: Demand-Initiated Automated Negotiation Sequence Compromise Process Within Pre-established Parameters between One Buyer & One Seller

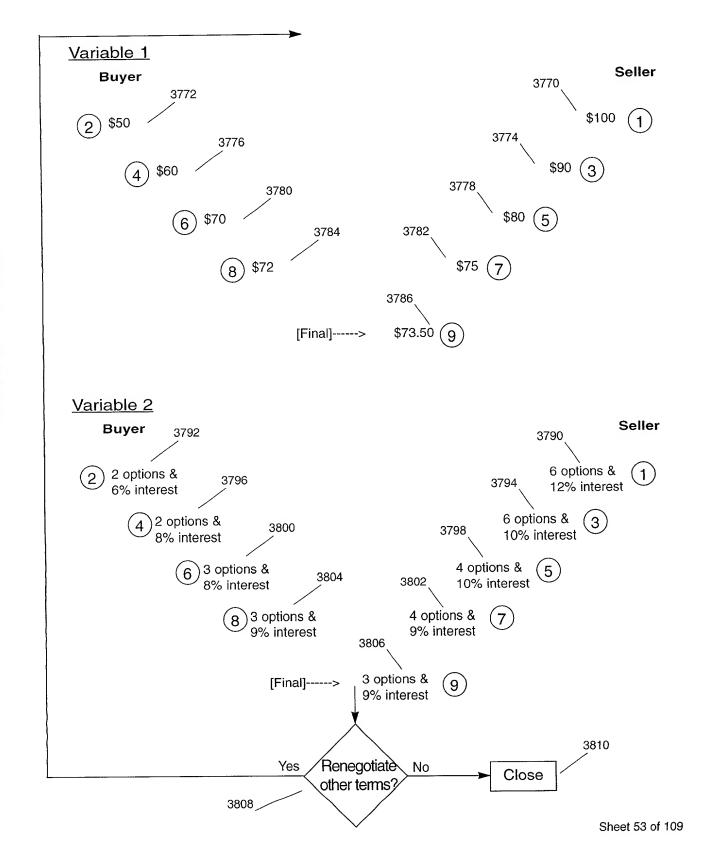


Fig. 39A: Negotiation in a Distributed System with Mobility

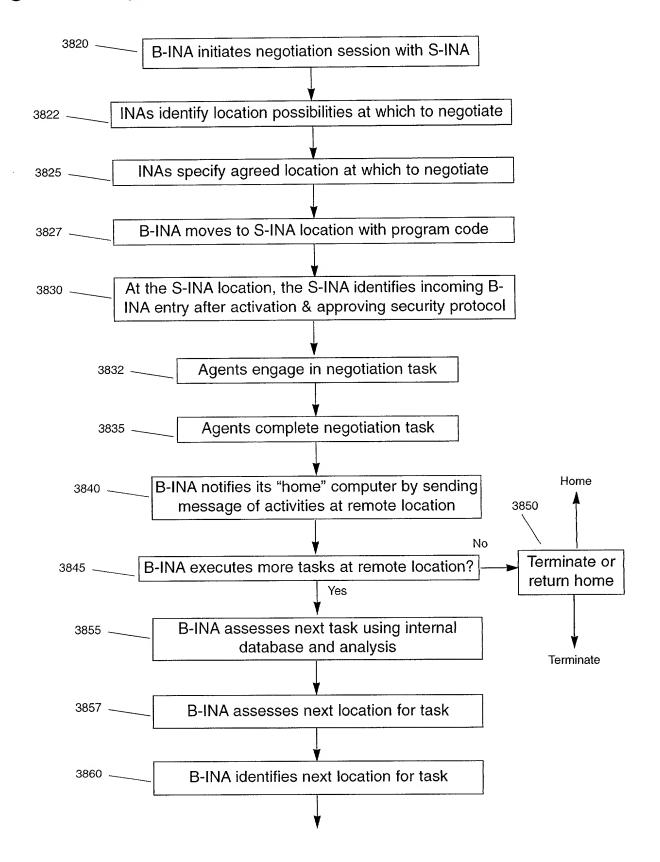


Fig. 39B: Negotiation in a Distributed System with Mobility (Continued)

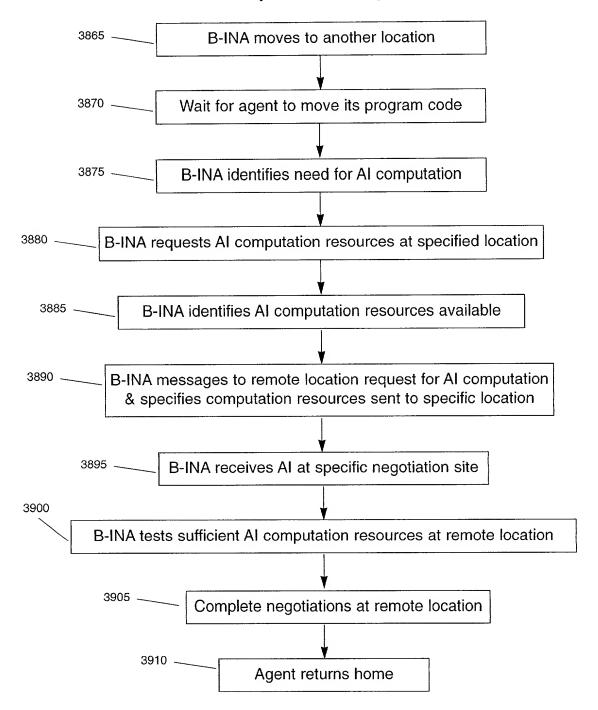


Fig. 40: Multi-lateral Distributed Competition (Competitive Double Shout Negotiation)

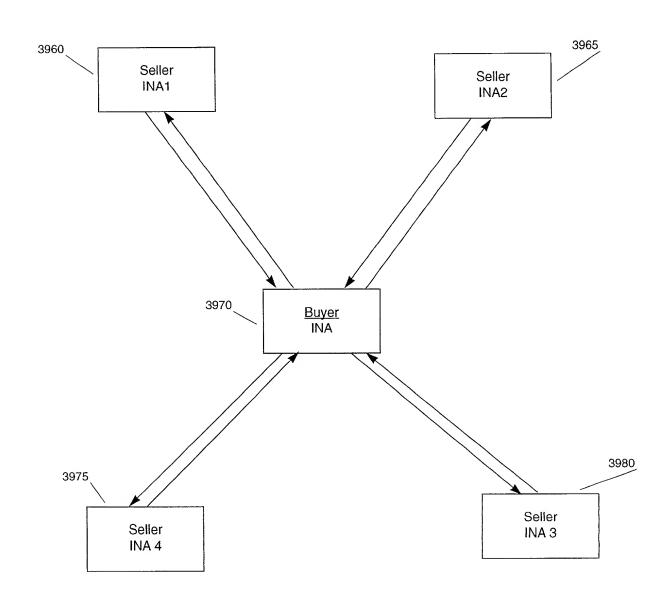


Fig. 41: Negotiation Module: Negotiation Method Schema

1 to 1 Interactive Negotiations

Kinds Of Goals

Short Term goal (price - maximization)

-vs-

Long-term goal (relationship management)

Constraining Factors

- Time constrained: multi-sessions as instrumental changes
- 2) Information constrained: less than optimum information
- Choice
 Constrained:
 Limiting of options

Terms

1) Item terms
 2) Transaction terms

Cooperative Goals (Zero-Sum Game)

- Exchange-based approach:
 Trade-off of terms/variables
 between parties
- a) matching of interests: ascertain mutual interest with overlapping sets...
- b) prioirtizations of preferences: hierarchy of similar priorities
- 2) Problem-solving approach: parties seek a common solution a) assessing common interests among different positions b) compromise of positions to a common set shared by parties

Buyer-Initiated

[Negotiation as adjustment of seller parameters] a) buyer query as initiation b) priority of best and then second best, and then third best, etc...

Competitive Goals (Zero-Sum Game)

- 1) dialectical approach: give & take of opponents until resolution a) [position description & justification] explanation based: each position advances and develops b) [Interrogation] argumentation: critique of opponent's position* c) [Ascertain mutual self-interest] Assessing overlapping interests d) Selecting common sets
- *Anticipate opponent's strategy

Non-Zero-Sum Game

1) deterrence approach: behaving so that competitors do not get without higher cost a) bidding aggressively and/or deceptively and then withdrawing

Seller initiated

[Negotiation as disagreement with initial seller promotions] a) promotions or 1st seller bid (result of search query) as 1st point of departure

Multiple Parallel Interactive Negotiations

One to several

a) Stopping negotiation when
one winner is selected

Several to several
Single Item: Stopping negotiation when one buyer & 1 seller is selected
Multiple items: a) Stopping negotiation when mutual agreement of multiple parties

Fig. 42: INA Auction Module-Auction Types

Auction Types			
English (Increasing)	Dutch (Decreasing)		
Vickrey (second highest bid)	"combinatorial" multiple-item auctions (package deals)		
Combinations of auction types	Double-shout		

Fig. 43: Negotiation, Pricing & Auction Module Interactions

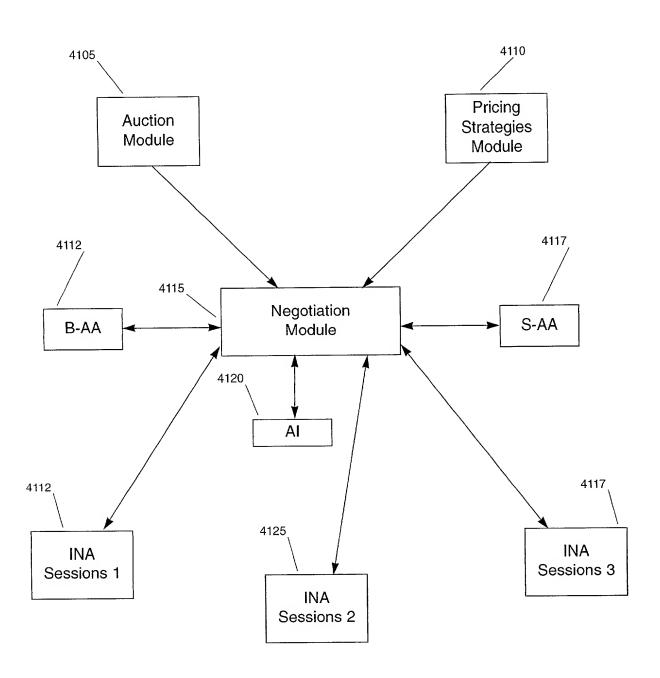


Fig. 44: Pricing Strategies Module and AA Interactions

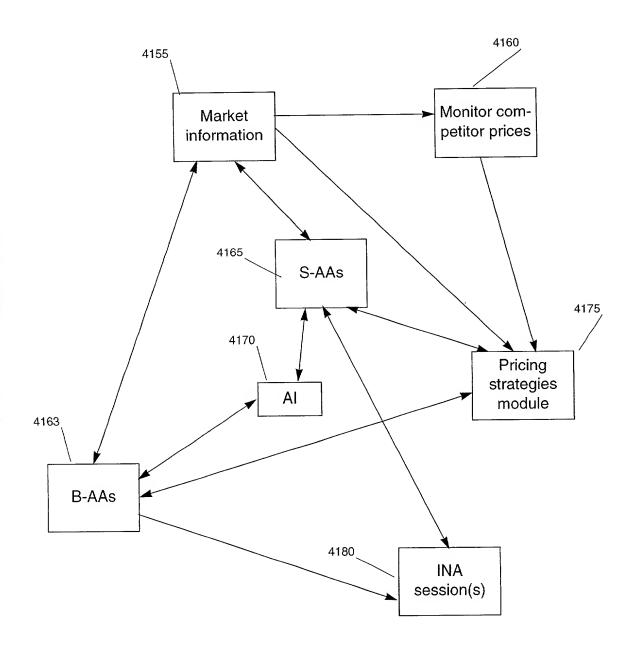


Fig. 45: Interaction Dynamics of INA"Personalities"

Yield Management	-Seller surpluses -Buyer shortages		-Seller shortages -Buyer surpluses
INA Stance	Optimistic		Pessimistic
INA Stance	Opportunistic (exploit)	neutral	Conservative (wait)
INA Stance	Aggressive (rush)	neutral	Unaggressive (delay)
Combination of INA Stance	Alternating between various "Attitudes" primarily to disguise INA Stance(s)		

Fig. 46: Neutral Broker Agency C-INA Intermediation & Aggregation Applications

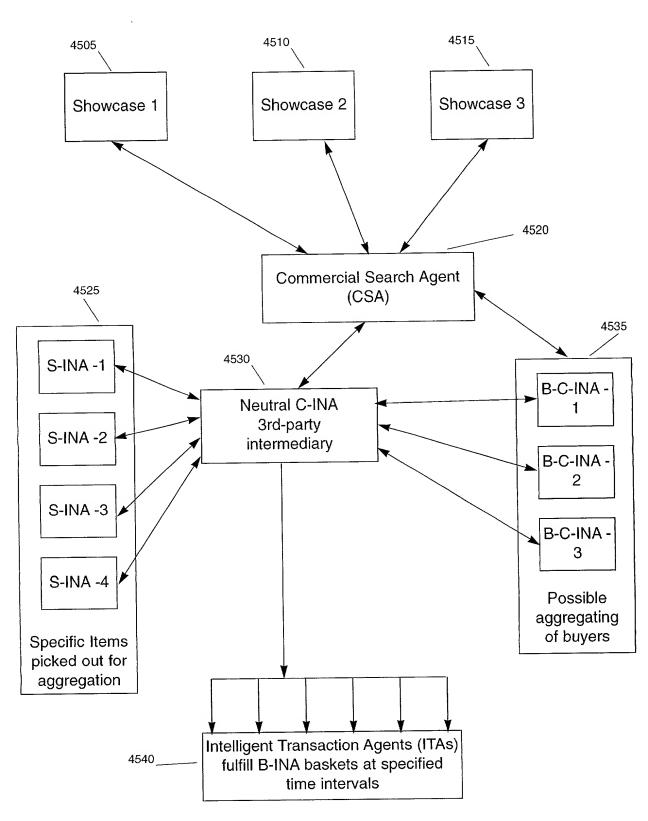
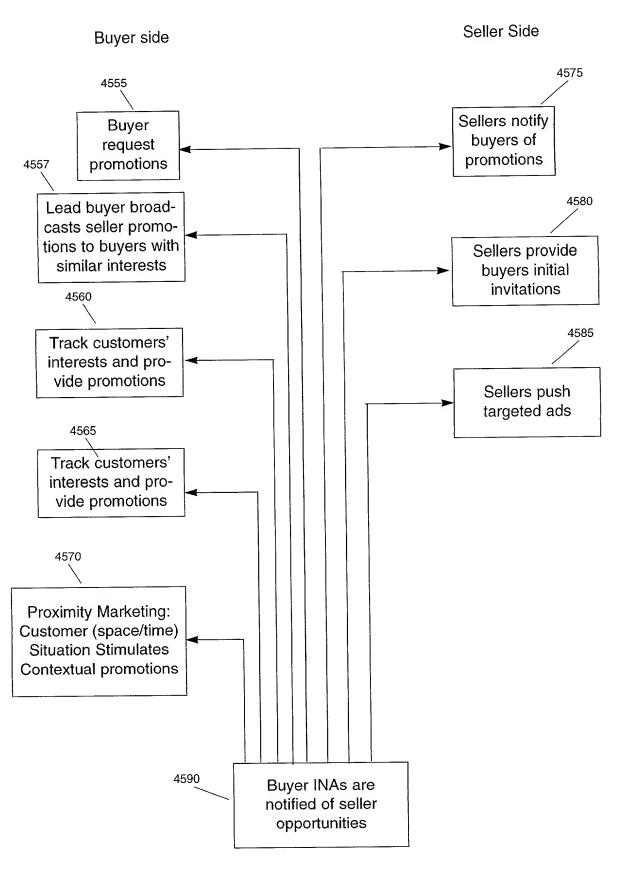


Fig. 47: C-INA Transaction Initiation Sources



4615 4610 4605 Showcase 3 Showcase 2 Showcase 1 4620 **Promotions** 4625 Commercial Search Agent (CSA) 4630 (search requests) b-ITAs 4640 Lead 4635 b-c-INA 3 b-c-INA 1 b-c-INA 2 b-c-INA Co-ordinates others Seller triggers buyer co-operation by initiating negotiation process with several buyers 4655 4650 s-INA2 s-INA 1 4665 4660 s-ITA 2 s-ITA 1 4670 Winner determinations and allocations of items 4675 Close transactions End ← Sheet 64 of 109

Fig. 48: B-C-INA Aggregation

Fig. 49: Automated Aggregation Category Structures

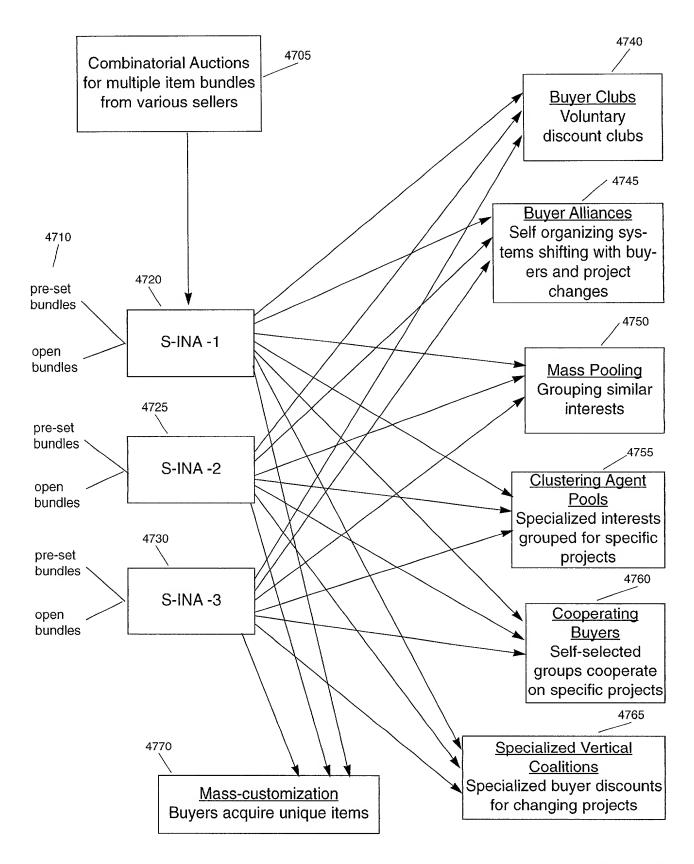


Fig. 50: Aggregation I - Mass Pooling

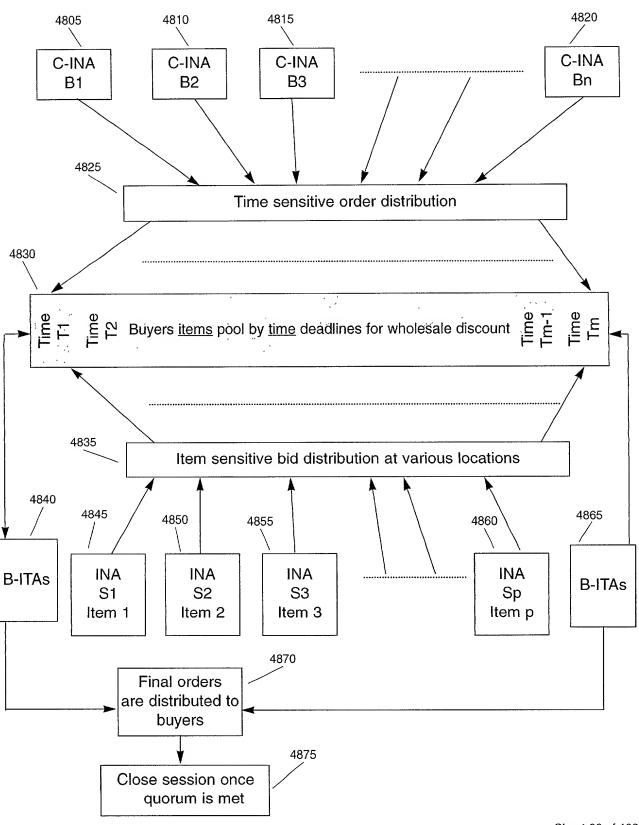


Fig. 51: Aggregation II-Disintermediated Aggregation Method Prior To Negotiation

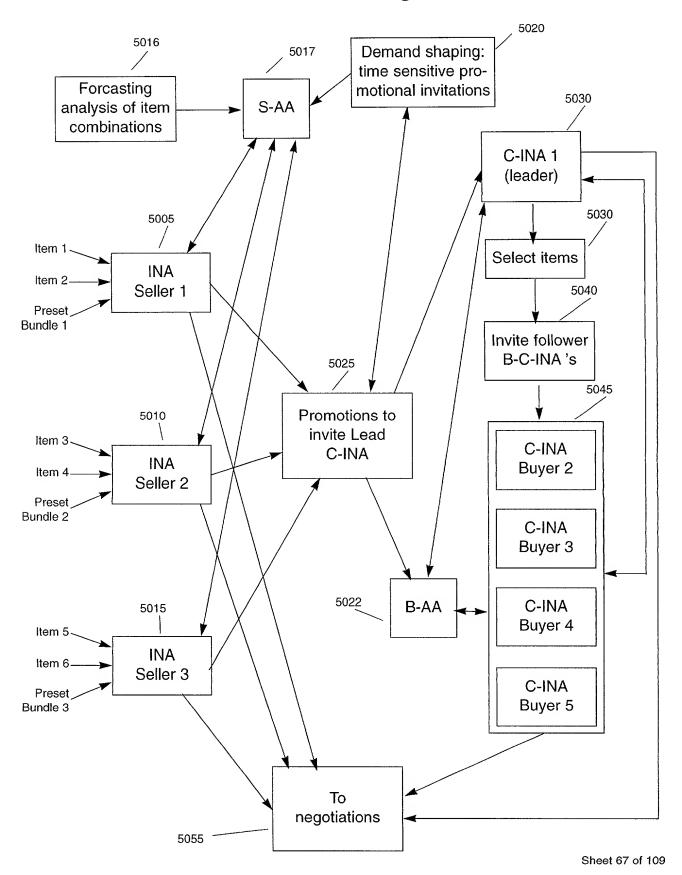


Fig. 52: Aggregation III – Disintermediated Mass Customization

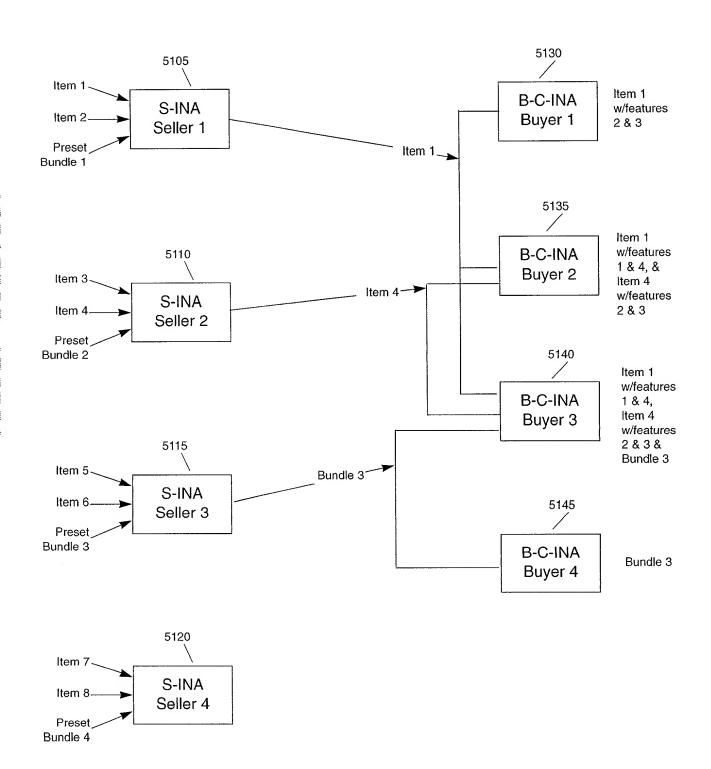
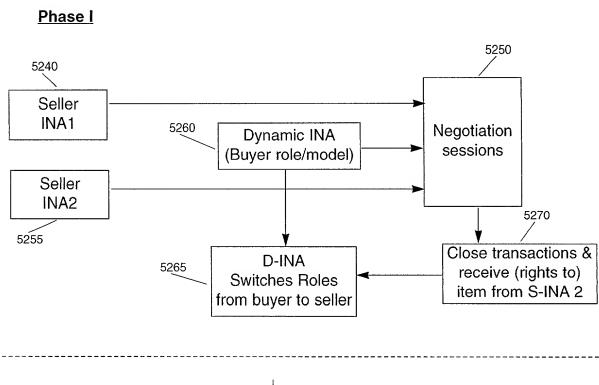


Fig. 53: Dynamic D-INA 's Double-agents:
Arbitrage Applications



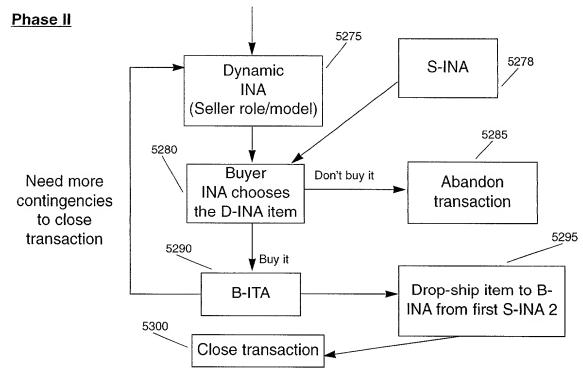


Fig. 54: Traditional Combinatorial Auction with Intermediary: Between Single Seller and Multiple Buyers

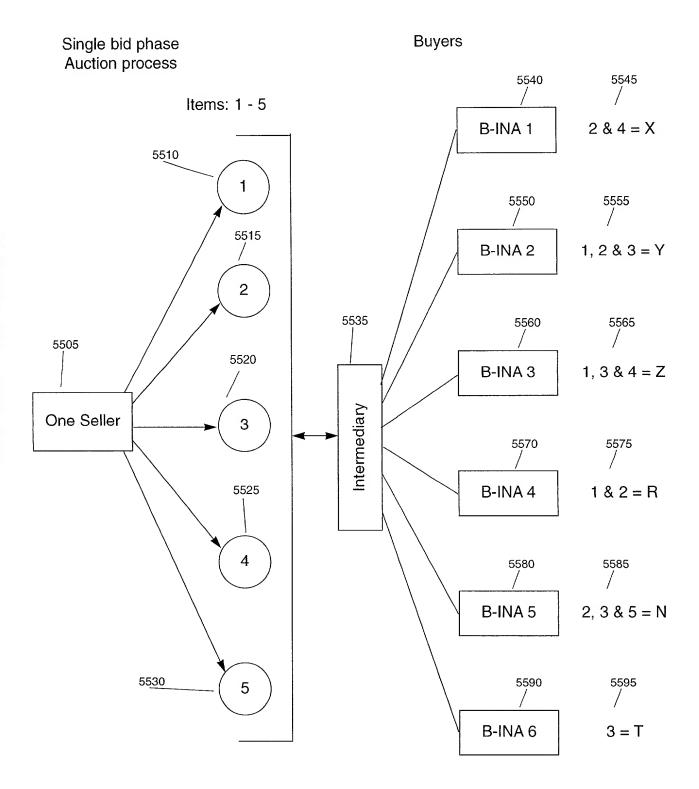


Fig. 55: INA Combinatorial [Double] Auction between Single Seller with Multiple Items and Multiple Buyers

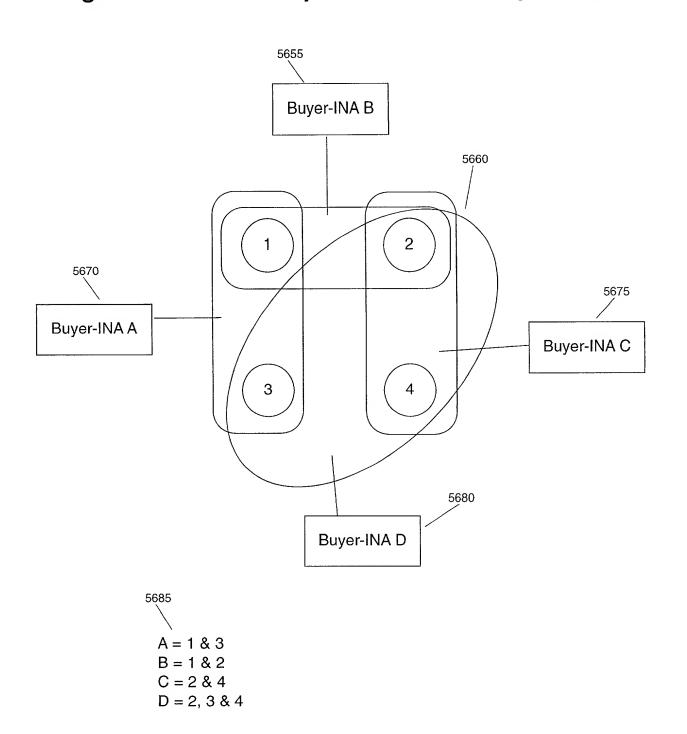


Fig. 56: Final Session Winner Determination of Interactive Multi-lateral Auction

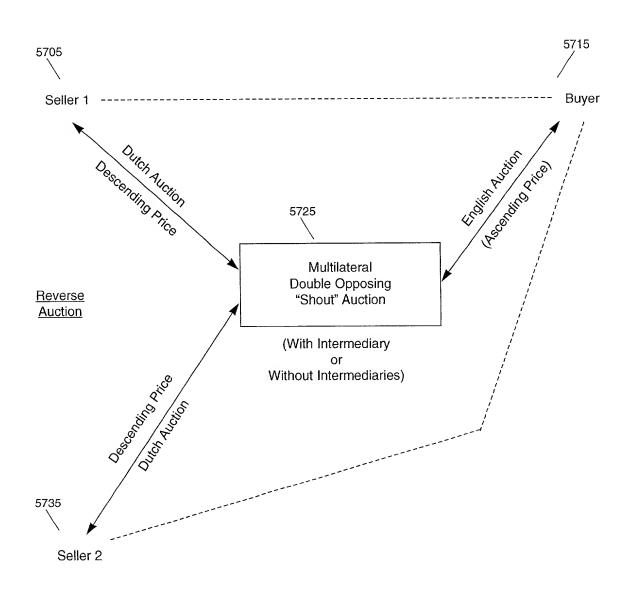


Fig. 57: Factor Filters

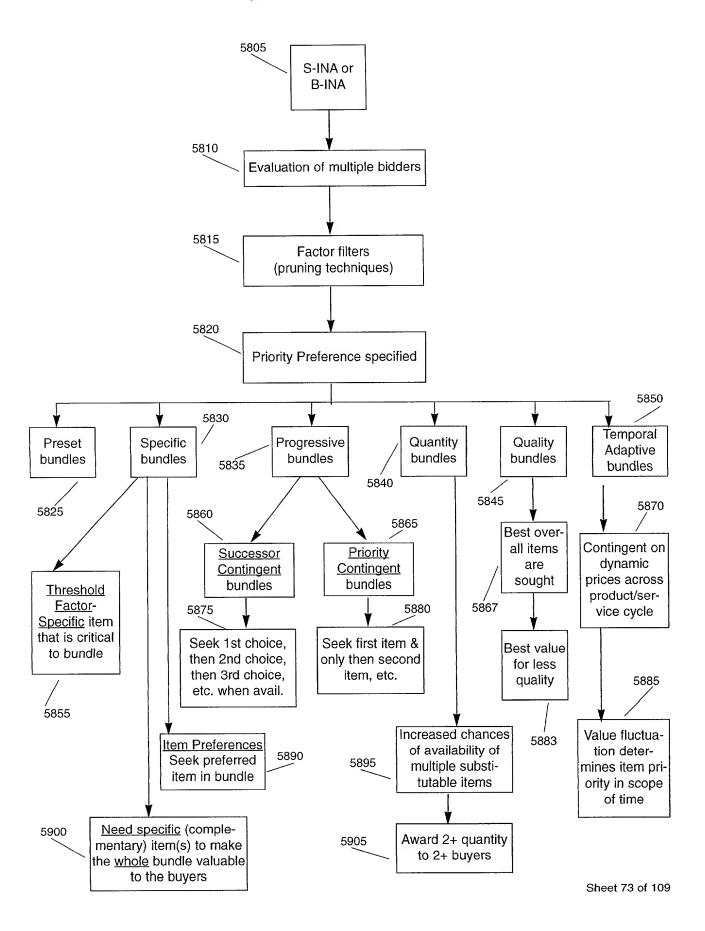


Fig. 58: Disintermediated Multi-item Bidding From One Seller To Multiple Buyers

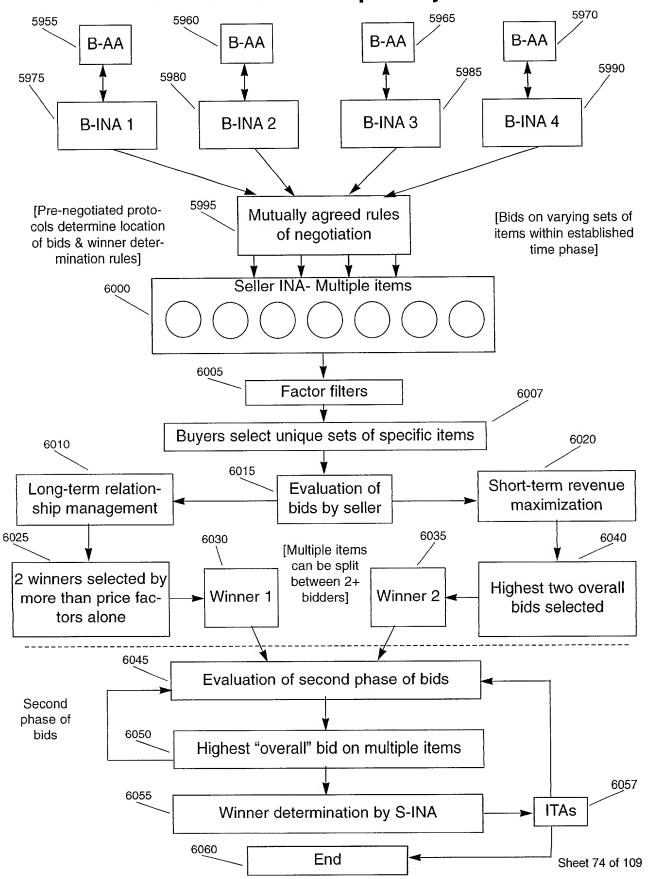


Fig. 59: Disintermediated Multi-item Bidding between Multiple Sellers and Single Buyer

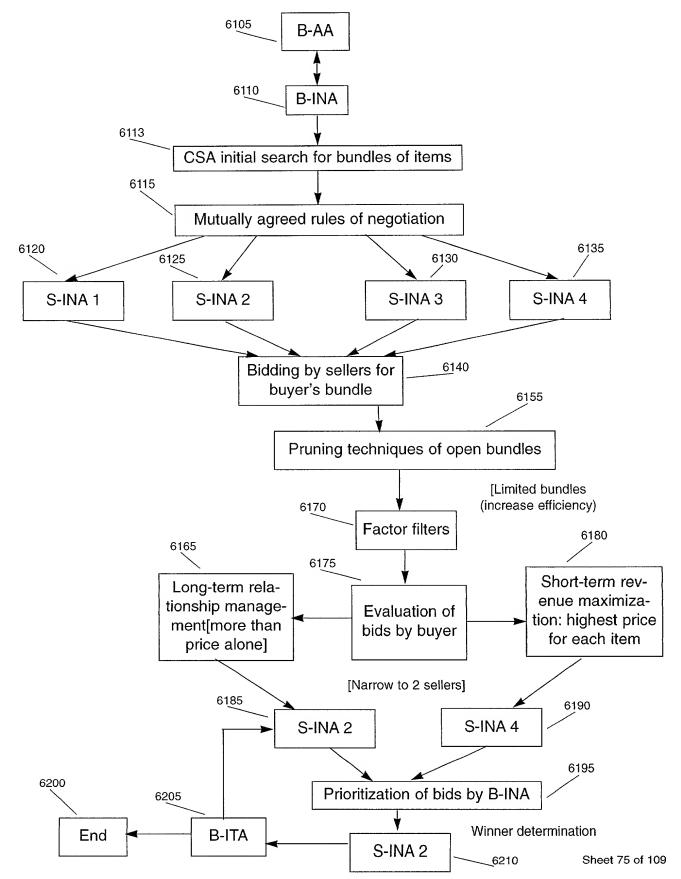


Fig. 60: Disintermediated Aggregation of Pre-Set Bundles between Multiple Sellers & Multiple Buyers

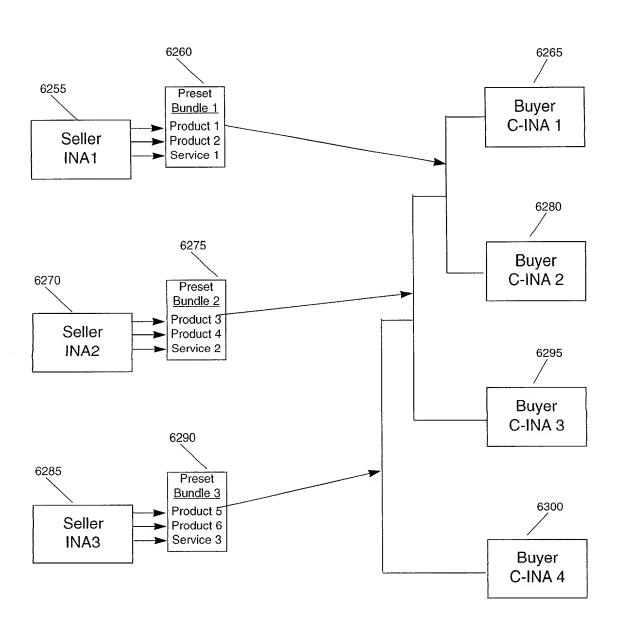
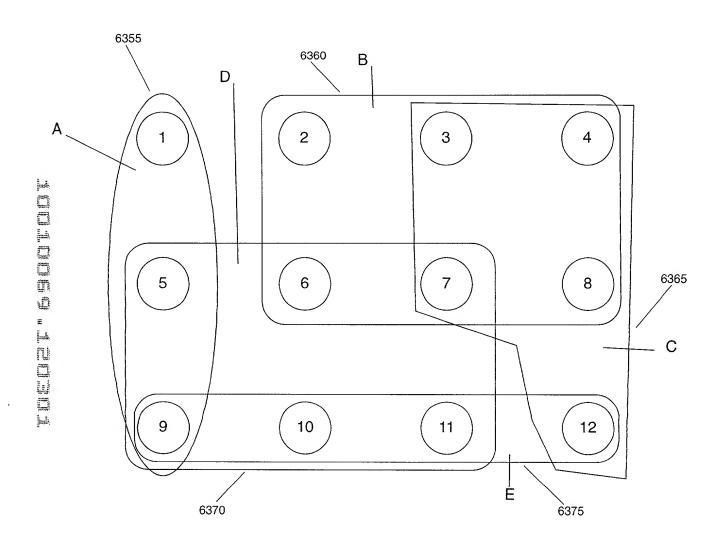


Fig. 61: Disintermediated Multi-item Bidding Between Multiple Sellers & Multiple Buyers



1-4: Seller I 5-8: Seller II

5 – 8: Seller II 9 – 12: Seller III Buyer Bidder A: 1, 5, 9

Buyer Bidder B: 2, 3, 4, 6, 7, 8 Buyer Bidder C: 3, 4, 7, 8, 12 Buyer Bidder D: 5, 6, 7, 9, 10, 11

Buyer Bidder D: Buyer Bidder E:

9, 10, 11, 12

Fig. 62A: Disintermediated Aggregation Of Multiple-item Bundles Bidding From Multiple Sellers To Multiple Buyers using C-INA's

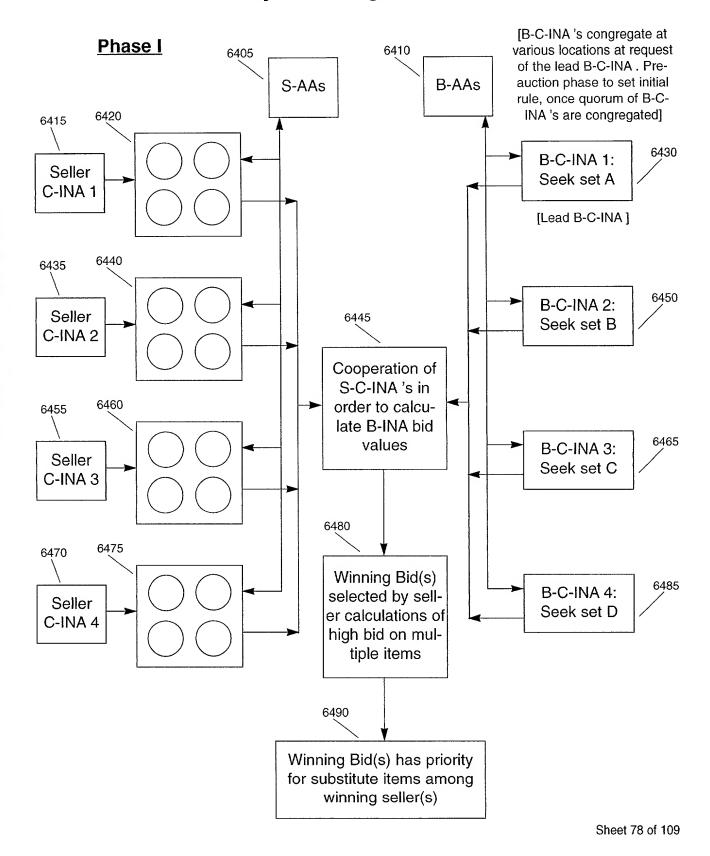


Fig. 62B: Disintermediated Aggregation Of Multiple-item Bundles Bidding From Multiple Sellers To Multiple Buyers using C-INA 's (continued)

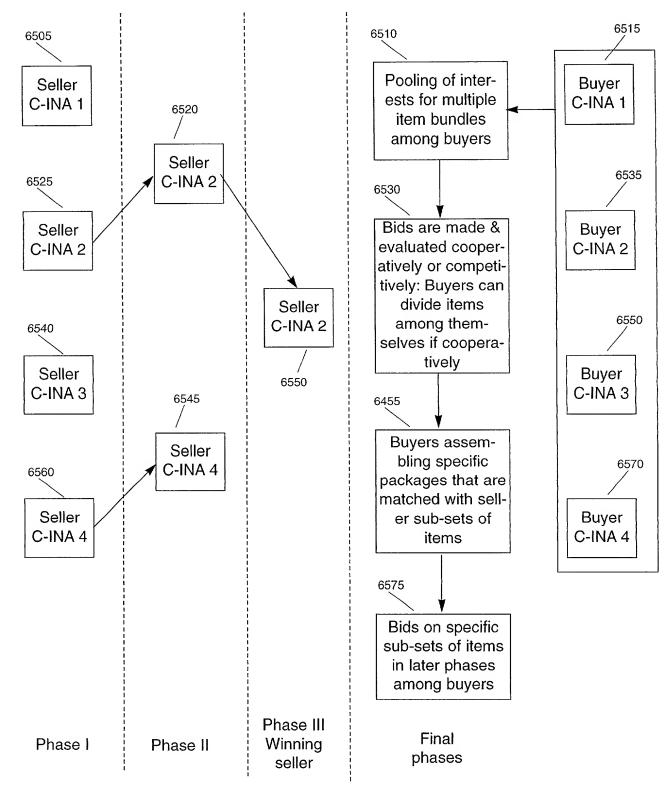
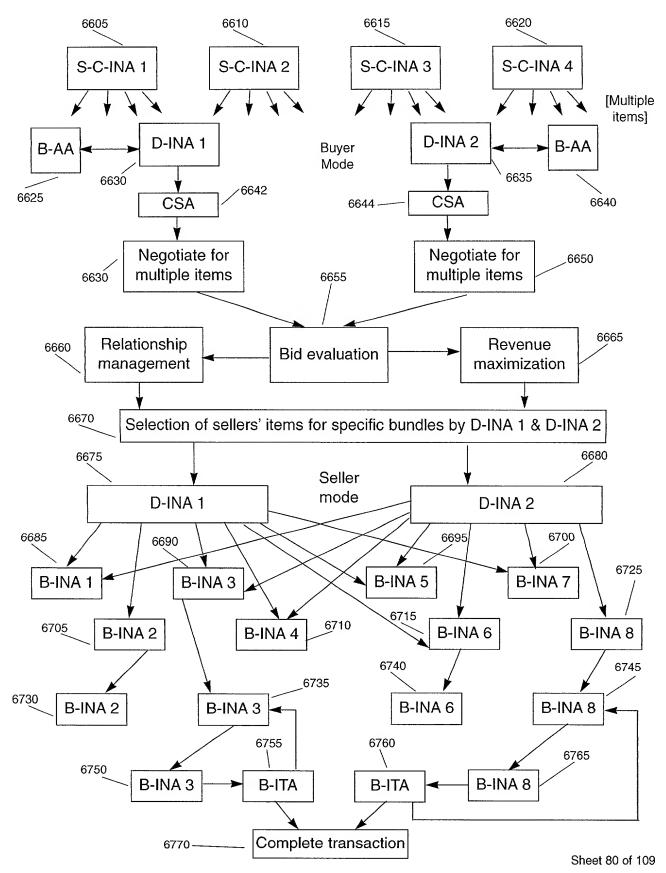


Fig. 63: Disintermediated Arbitrage Of Multi-item Bundles Between Multiple Sellers & Multiple Buyers using D-INA 's



Location

Fig. 64: Multifactorial Bidding Approaches Sorting By Item Variables

Quality
Attribute – color, style, etc.
Quantity
Availability (now or later)
Delivery Time & Terms
Size
Dynamic Pricing Across product/service cycle
Brand/manufacturer
Configuration
Features
Additional options
Combinations of various features
Price
Payment Method
Payment Terms

Fig. 65: Example of Multiple Feature Factors: Personal Computer Configurations

	CPU/ Mother					Modem & ISP			
Manu.	board	Brand	OS ———	RAM	HDD	contract.	DVD 	Monitor	Price
Intel	500-ABC	IBM	MS	64	10	56 kbs	DVD	15 in	
Intel	500-ABC	Dell	MS	128	10	56 kbs	DVD	17 in	
AMD	500-XYZ	Gateway	MS	128	20	56/ISP	DVD	19 in	
AMD	800-XYZ	HP	MS	128	0	56/ISP	DVD	17 in	
AMD	800-ABC	IBM	MS	256	20	56/ISP	DVD	17 in	
AMD	800-ABC	Dell	Linux	256	20	128	DVD-RAM	17 in	
Intel	800-ABC	Gateway	Linux	256	30	128	DVD-RAM	17 in	
Intel	800-ABC	HP	Linux	256	30	128	DVD-RAM	17 in	
Intel	1.2-XYZ	IMB	Linux	256	30	128/ISP	DVD-RAM	17 in	
Intel	1.2XYZ	Dell	Linux	256	40	128/ISP	DVD-RAM	17 in	
Intel	1.2-ABC	Gateway	MS	256	40	128/ISP	DVD-RAM	19 in	
Intel	1.2-ABC	HP	MS	256	40	256	DVD-RAM	19 in	
AMD	1.2-ABC	IBM	MS	256	40	256	DVD-RAM	19 in	
AMD	1.2-ABC	Dell	MS	512	60	256	DVD	19 in	
AMD	1.2 - XYZ	Gateway	MS	512	60	256/ISP	DVD	19 in	
AMD	1.8-XYZ	HP	MS	256	60	256/ISP	DVD	19 in	
AMD	1.8-XYZ	IBM	Linux		60	1.2mbs	DVD-RAM	21 in	
Intel	1.8-XYZ	Dell	Linux		80	1.2mbs	DVD-RAM	21 in	
Intel	1.8-XYZ	Gateway	Linux		80	1.2mbs	DVD-RAM	21 in	
Intel	2.4-ABC	HP	Linux		80	1.2/ISP	DVD-RAM	21 in	
Intel	2.4-ABC	Sony	MS	512	120	1.2/ISP	DVD	21 in	
AMD	2.4-ABC	Sony	MS	1.2	120	1.2/ISP	DVD	21 in	

Quantity - Discounts - 2-5, 5-9, 11-19, 21-29, 30-99, 100-499, 500-1999, etc.

Fig. 66: Examples of Categories of Multi-item Bundles

- 1. Computer Hardware configurations RAM, HDD, CPU, monitor
- 2. Computer Hardware & Software
- 3. Computer Hardware & Services
- 4. Office equipment computer, printer, copier, fax, phone
- 5. Telephone equipment & services local and long distance
- 6. Telecom capacity rev. maximization across demand cycle
- 7. Electronic equipment A/V combinations & software accessories
- 8. Photo equipment camera, lenses, accessories, film, digital media
- 9. Airline tickets time constraints to sell multiple seats to maximize revenue
- 10. Machines, machine parts, machine accessories
- 11. Cars/trucks & accessories
- 12. Wardrobe combinations, pants, shirts, coats
- 13. Real Estate contiguous properties
- 14. Communications spectrum contiguous properties
- 15. Gems
- 16. Railroad & trucking scheduling
- 17. Art, antiques, rugs, etc.
- 18. Housing combinations
- 19. Intellectual Property combinations
- 20. Pharmaceuticals
- 21. Chemicals

Fig. 67: S-ITA System Architecture

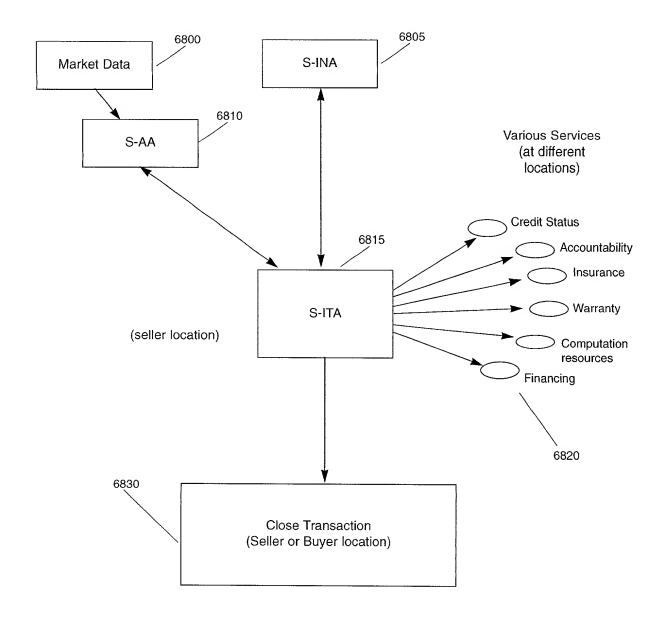


Fig. 68: S-ITA Operation

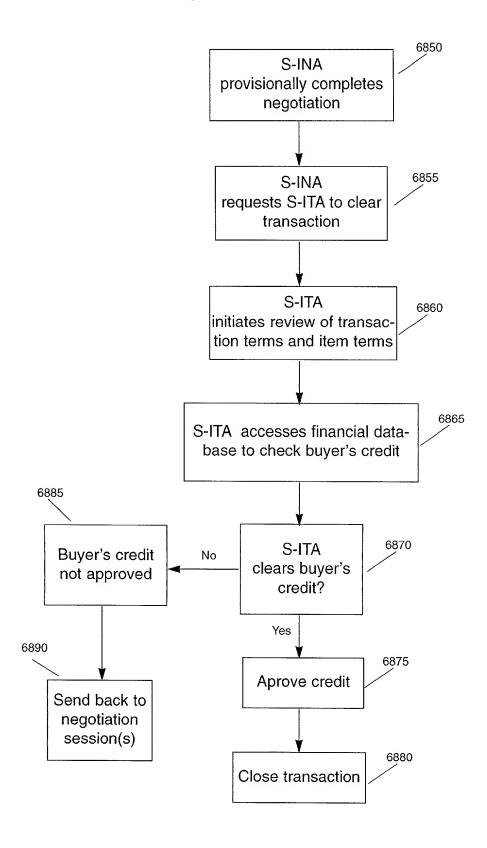


Fig. 69: S-ITA and B-ITA System Process in Final Negotiation with One Seller

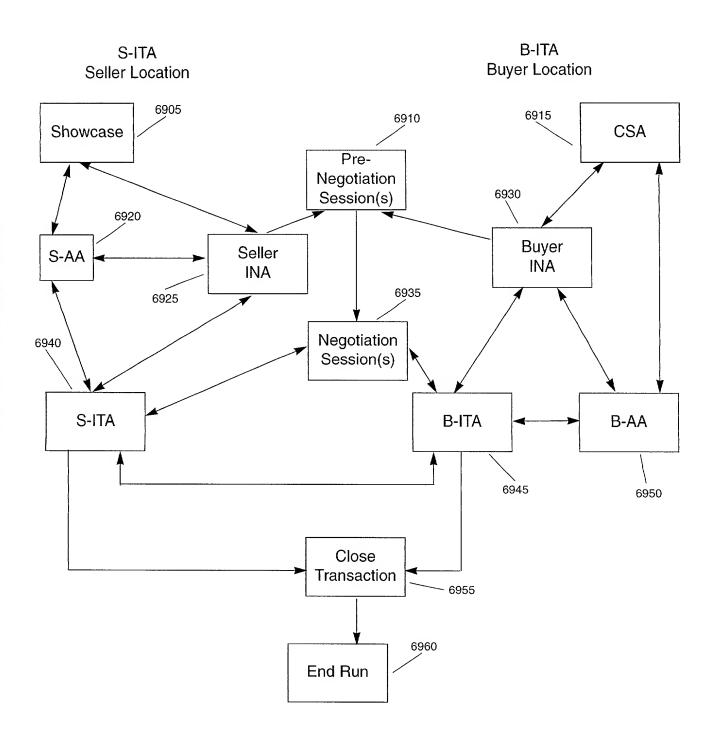


Fig. 70: ITA Service Categories: Buyer & Seller Roles

s – ITA Services	<u>b – ITA Services</u>	dual - ITA Services	
<u>Info.</u>	<u>Info.</u>	<u>Info.</u>	
AA functions	AA functions		
Superscore	Info about market, companies.,		
Accountability	economy, industry,		
Credit info.	products, etc.	<u>Services</u> Compliance – legal	
<u>Services</u> Compliance – legal	Services	Compliance – tax	
	Promotion discounts	RMO's	
Compliance – tax	Warranty	finance/credit	
RMO's		novement processing	
finance/credit	Insurance	payment processing	
payment processing		Fulfillment – shipping/tracking	
Fulfillment – shipping/tracking		due diligence	
		escrow	
due diligence		report generator	
escrow		post-sale feedback	
report generator		poor oute teedback	
post-sale feedback			

Fig. 71: ITA Services

Accountability index

prior experience online credit score & credit check

Financial credit module

- matching buyer with appropriate lender

Contracting module

Compliance module Legal compliance Federal/state/international rules

Tax compliance

International customs compliance

Risk management options

Payment processing module

- method of payments
- billing/invoice
- financial clearing and account crediting

Shipping/ delivery terms/tracking

Warranty Info & conditions

Insurance risks

Bookkeeping & accounting function

Due diligence

Escrow process

Report generator

Accelerated processing for high rated customer Post sale feedback

Fig. 72: B-INA Micro-agents with Mobility

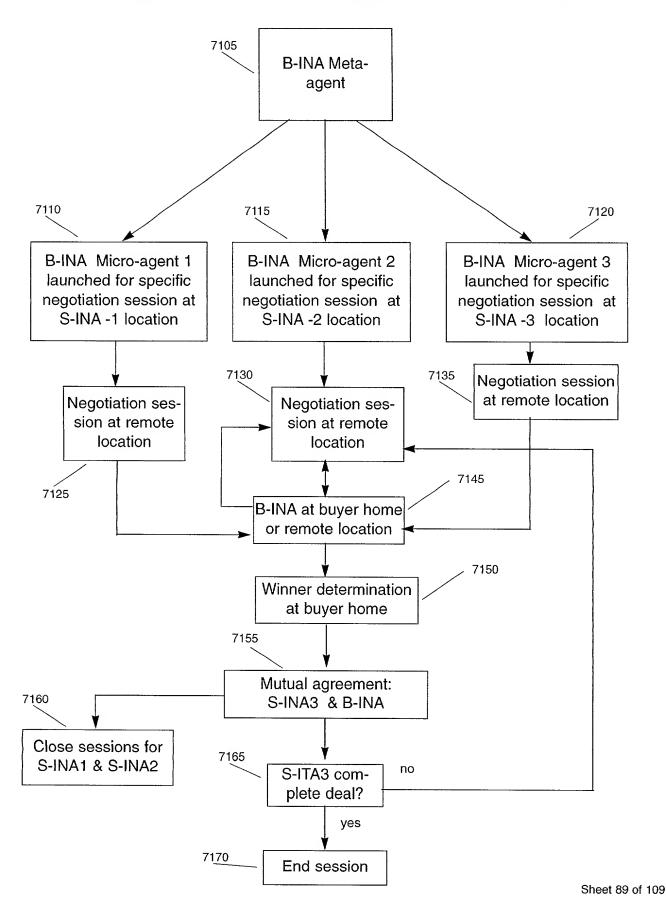
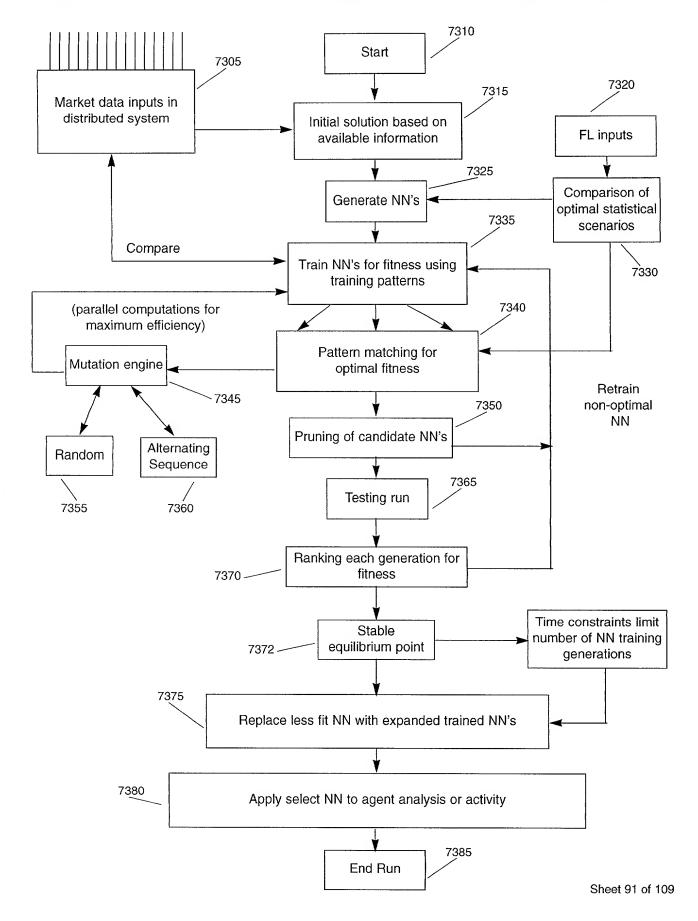


Fig. 73: Genetic Algorithms Applied to Multi-Agent **System** 7205 7210 Start Market Data Inputs in distrib-7215 uted system Search for optimal solution 7220 7223 7225 7228 Generate set of candidate solutions based on Pattern matching end Randomized no available information mutation yes engine 7230 Match candidate 7235 Create new generations of candidate solusolutions with tions based on multi-factorial mutations market data Breed 7240 new gen-Produce candidate variants using operators eration of candidate on surviving candidates solutions 7245 Evaluate candidate solutions according to efficiency criteria Decide which candidate solutions will be kept Discard or discarded by testing 7255 7250 Winner determination by using 7260 most updated criterion 7270 7265 7275 Solution results 7280 Sub-optimal Ranking of each genera-Optimal solution solutions within tion of candidate solutions relative to all specified constraints for fitness candidates available & trade-offs Apply algorithm to agent 7285 7290 analysis or activity

End Run

Sheet 90 of 109

Fig. 74: Neural Networks Applied to Multi-Agent System



7505 Data Inputs 7510 7515 7520 Induction Regression Rule Based Decision Learning **Analysis** Trees 7525 7530 Pruning by matching Organizing Models what works -Scope 7535 - Accuracy Heuristic - Missing values, operational Exceptions & rules **Errors** 7545 7555 Relearning 7550 Scenarios **Forecasts** 7560 7565 No % Yes % 7570 ~ Apply to agent analysis or activity 7575~ End run Sheet 92 of 109

Fig. 75: Genetic Programming System Process

Fig. 76: Genetic Programming Learning Schemas

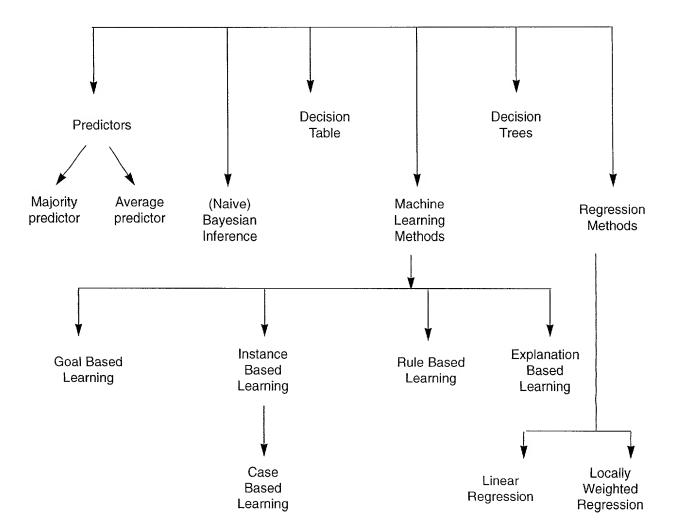


Fig. 77: Evolutionary Computation Applications to Agents

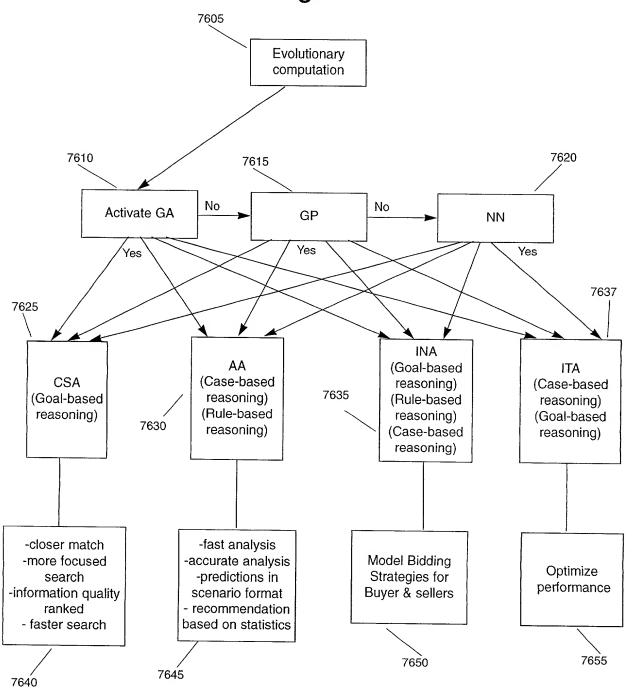


Fig. 78: Al Applied to Agency in a Distributed System

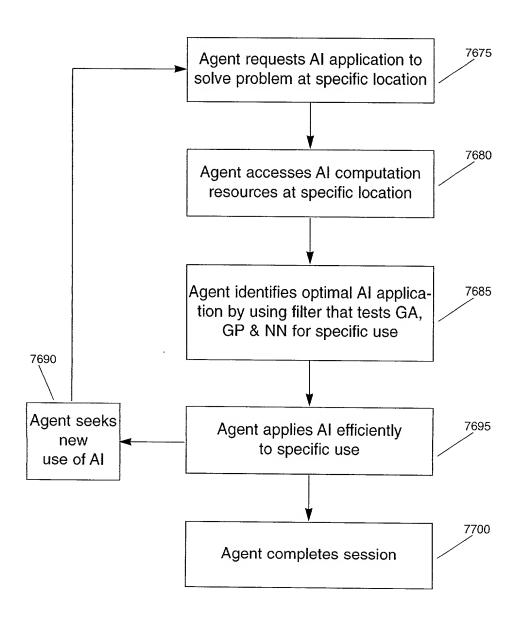


Fig. 79: Evolutionary Computation Architecture and AA/INA Applications

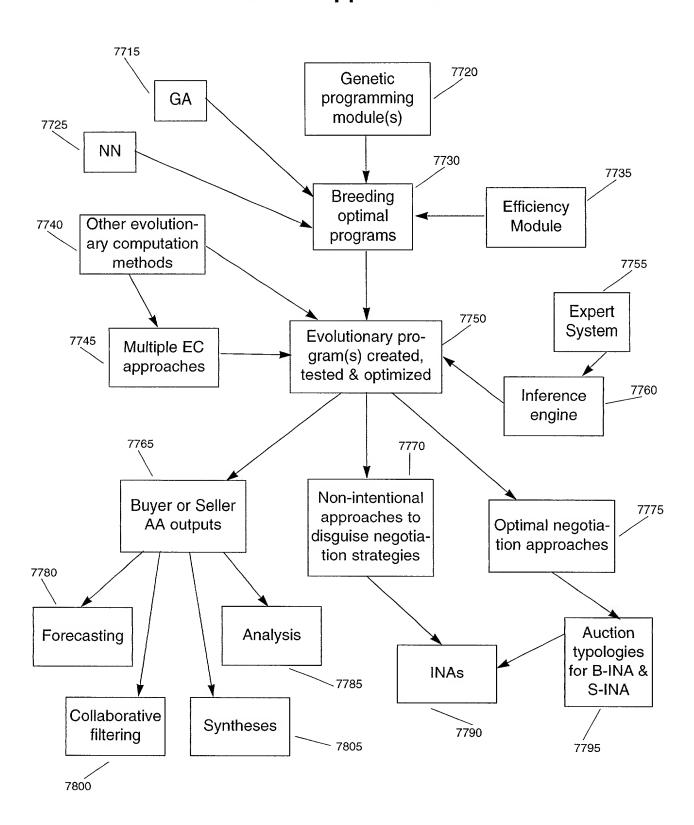


Fig. 80: Layered AI For Optimum Agent Mobility

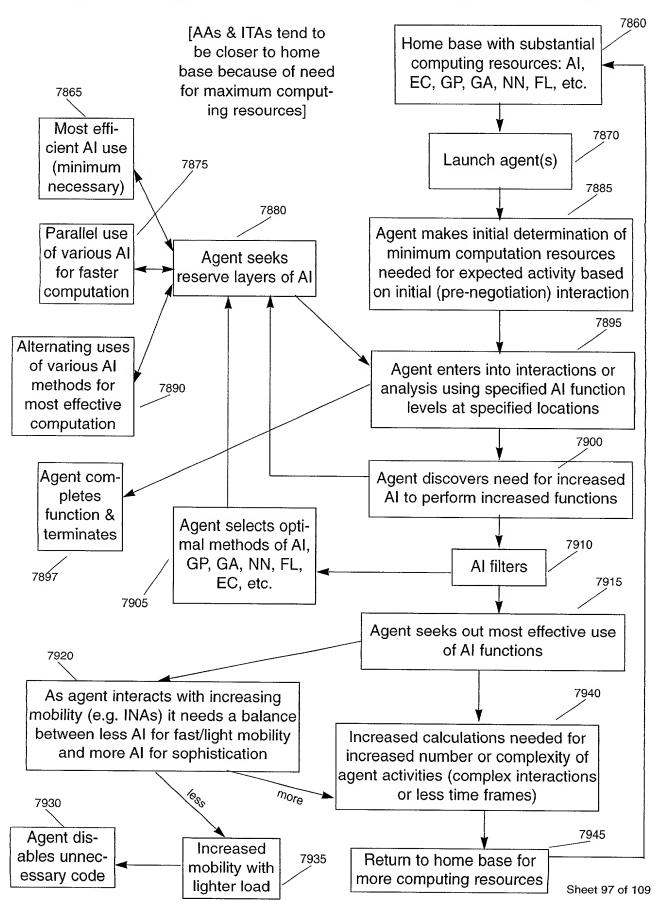
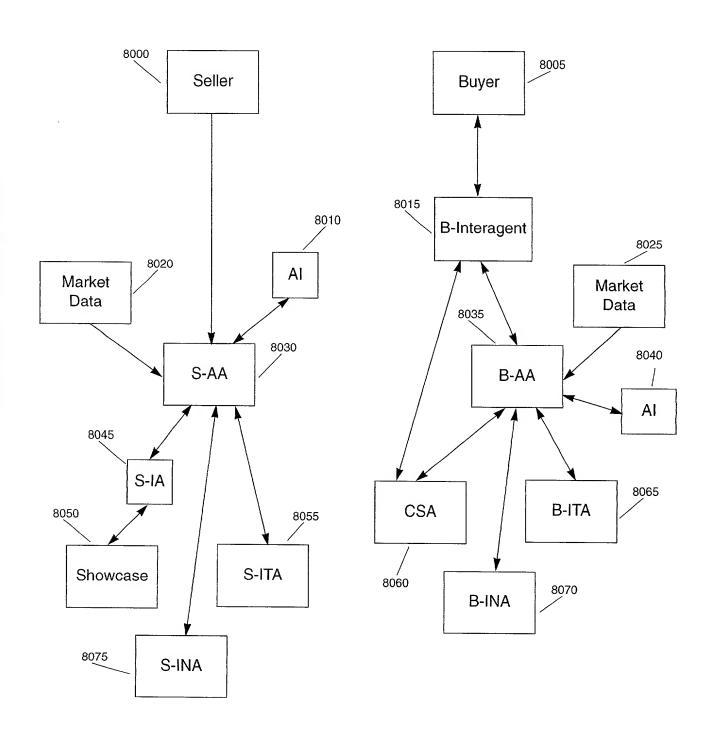


Fig. 81: Analytical Agent System Architecture
Buyer vs. seller viewpoints



8105 Market Data (various sources) 8115 Seller Analytical 8110 Agents Buyer Analytical Agents 8120 8135 8125 8130 Multi-attribute Collaborative Editorial Expert regression filtering retailing System analysis 8155 8160 8165 8145 8150 **Third** Mass personalparty Synthesis ization of data opinions Statistical Syntheses scenarios 8175 8180 Filter & synthesize Targeted 8170 data to buyer from informa-Systematic initial parameters tion Report Forecasting Combining 8190 8185 8195 Custom analysis report Recommendation report 8205 Advice report 8200

Fig. 82: Kinds Of Data Analysis & Syntheses

Fig. 83: Analytical Agent Data Flow Process

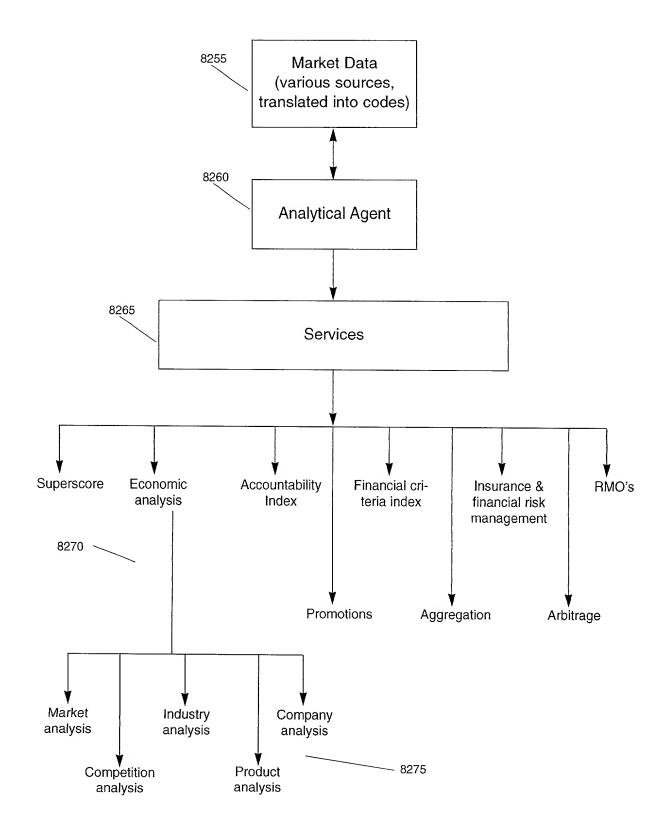


Fig. 84: Data Mining Approaches **CSA & AA interactions** 8305 Market data 8310 Methods of data discovery from

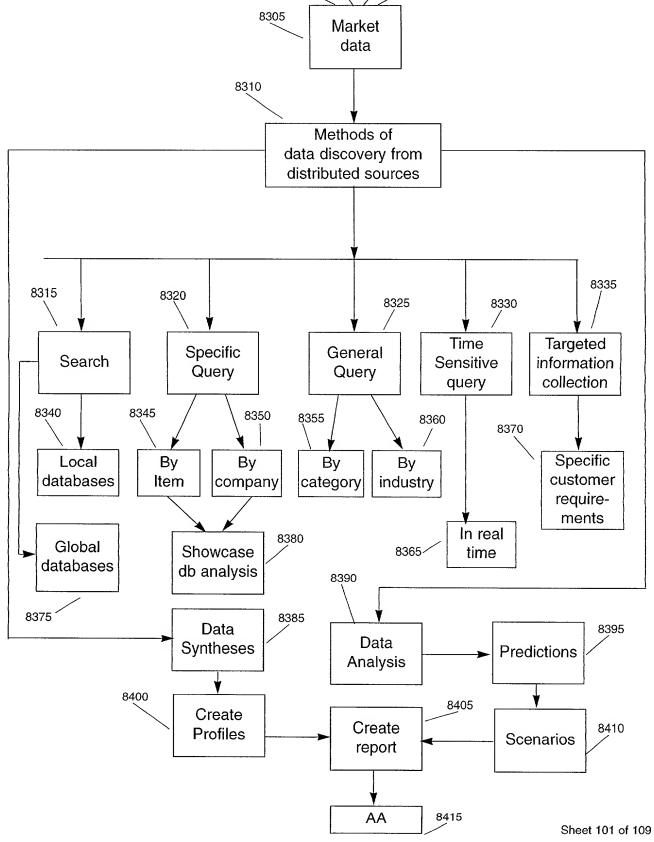


Fig. 85: Advanced Collaborative Filtering for Cross Marketing Recommendations

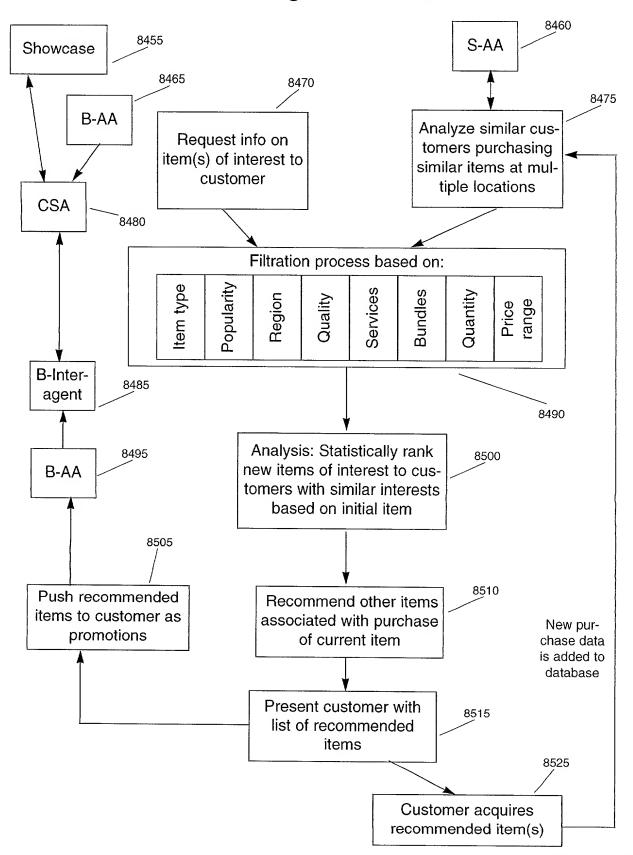


Fig. 86: B-AA Operations With Mobility

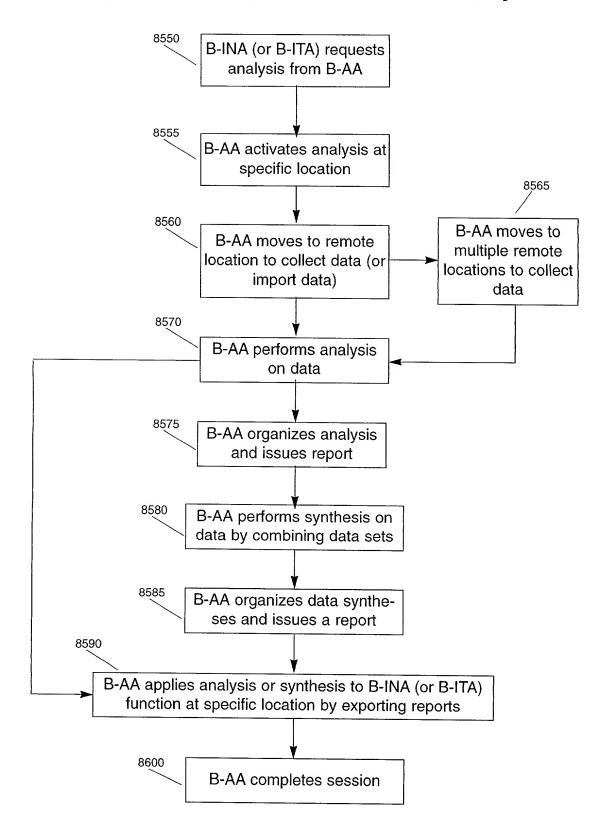


Fig. 87: Super-Score System: Negotiated Variables

- 1. Object Description need reference to adaptable tables
- 2. Seller Description
- 3. Buyer Information
- 4. Buyer Credit Data
- 5. Finance opportunities credit
- 6. Seller Promotions
- 7. Risk Management Options
- 8. Market Data on Multiple Sellers & Buyers

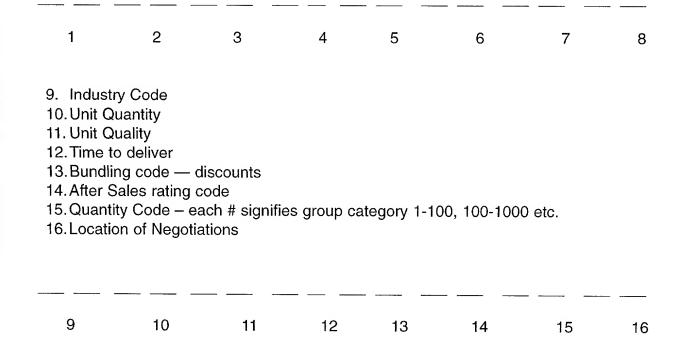


Fig. 88: Economic/Market Analysis Variables

- 1. Industry Code
- 2. Industry Analysis
- 3. Product Analysis
- 4. Need Index of average prices for each main sector trends, changes
- 5. Prices relative to market averages
- 6. Intra-company analysis of products/services scope, growth rate change, etc. analysis of data
- 7. Probability scenarios of industry company
- 8. Broad Market Analysis (as service)
- 9. Economic indicators

1	2	3	4	5	6	7	8	9

Fig. 89: Accountability Index System Variables

- 1. Bidding History a. % bid

 - b. # of bids
 - c. % of bids won
 - d. # of bids won
- 2. Follow Up History
 - a. # & re-negs
 - b. # & returns
- 3. Credit History
 - a. credit limit
 - b. credit growth
- 4. Risk Factors
 - a. fast changes outside
- 5. Flexibility ratio
 - a. customer/seller as less rigid to accept deal
- 6. Tracking Pattern of Negotiation
 - a. figuring into accountability index
- 7. Transaction Prior Experiences
 - a. bidding history
 - b. success
 - c. problems
- 8. Follow through ratio
- 9. Accountability Index
- 10. Specify factors
- 11. Credit factors
 - a. debt ratio to net worth
 - b. paying on time
 - c. use up to limits, floating debt
 - d. credit limits
 - e. # of accounts
 - f. risk of default
- 12. Identify/authenticate agent/entity
- 13. Responsiveness to requests
 - a. In time factor

1	2	3	4	5	6	7	8
₉				—			

Fig. 90: Financial Criteria Index System

30+ Digit Code

- 1. Net Worth
- 2. Income
- 3. Cash Flow
- 4. Level of Debt to net worth
- 5. Public records
- 6. Value of assets
- 7. How much credit limit is used
- 8. How often up to (or over) limit
- 9. Financial Criteria factors
- 10. Length of credit accounts
- 11. Credit Limit
- 12. Unsecured vs. Secured debt
- 13. Derogatory Credit over limit past due
- 14. Number of moves
- 15. Frequency of Place
- 16. Final Index Number to put in Super Score

1	2	3	4	5	6	7	8
9	10	11	12	13	14	15	16

Fig. 91: Insurance Risk Factors

- 1. Use of Stats to establish rates
- 2. Kinds of losses specified
- 3. Claim-Adjustment Procedures
- 4. Claims Procedures
- 5. Errors
- 6. Omissions
- 7. Fraud
- 8. Accident
- 9. Premium Accounts
- 10. Limits/amounts of insurance
- 11. Full vs. Partial losses
- 12. Entity past record of claims
- 13. Costs of losses
- 14. Risks of specific events
- 15. Risk of limited loss
- 16. Risk of total loss

1	2	3	4	5	6	7	8
				-			
9	10	11	12	13	14	15	16

Fig. 92: List Of Services

- 1. <u>ITA</u> (Transactions)
 - a. Actual banking services
 - b. Aggregation (for better deals)
 - c. Insurance
 - d. Warranties
 - e. Payment Processing
 - f. Tax Collection & Payments
 - g. Escrow
 - h. Due Diligence
 - i. Legal, tax, customs
 - i. Compliance
 - k. Accounting
 - I. Shipping/delivery
 - m. Delivery tracking
 - n. Post-sale reporting
- 2. AA (Analysis)
 - a. Economic analysis
 - b. Market/industry analysis
 - c. Company, product & service analysis
 - d. Financial & credit analysis
 - e. Accountability Indices
 - f. Superscore
- 3. Risk Management Options
 - Penalties for sellers not fulfilling by specified time
 - B. Risk priorities order of preferred risks
 - c. Arbitrage penalties
 - d. Option swaps (exchanging opposing kinds of risks)
 - e. Dynamic pricing of risks based on peak/low risks environment
 - f. MTO Penalties
 - g. JIT Penalties
 - h. Risk Sharing

4. Promotions (CSA)

- a. Discounts
- Aggregation (group discounts)
- c. Promotional guarantees
- d. Promise to provide item by specific time
- e. Quality increase offer
- f. Bundling products & services

5. Insurance Risk Management

- a. Liability (product/service, business, individual)
- b. Dynamic pricing based on peak risks
- c. E&O Fraud risks
- d. Risk of event loss
- e. Re-insurance Insurance risk sharing
- f. Accident risks
- g. Degrees of losses

6. Financial Risk Management

- a. Credit analysis /buyer, seller
- b. Secured debt kinds of assets
- c. Unsecured debt
- d. Structured fin.-by asset category (securitization of assets/debt)
- e. Packaging debt
- f. Packaging Ins. & Fin. Opportunities

7. Additional Services

- a. Bundling products &/or services
- b. Customized orders
- c. Mass-customization
- d. Just-in-time items
- e. Aggregation of bundles
- f. Arbitrage of items & bundles
- g. Computation resources
- h. Bandwidth resources